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AGRICULTURE

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CHINA REPORT

AGRICULTURE

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AGRICULTURAL BOOM LEADING TO OTHER REFORMS

HK250321 Beijing CHINA DAILY in English 25 Mar 83 p 4

["Opinion" column by CHINA DAILY commentator: "Breaking a New Path"]

[Text] The agricultural boom in China's vast rural areas is pointing the way to, and forcing the pace of reforms in other sectors of the national economy. These may well turn out to be comparable, in social significance, to the socialist transformation in the mid-1950s.

While the earlier transformation established the predominance of public--state and collective--ownership in agriculture, industry and commerce, thus laying the foundation for building socialism, it failed for nearly three decades to find a proper structure for managing a socialist economy.

As in the case of rural communes, nationalized industrial and commercial enterprises have tended to be overcentralized, with management often subject to administrative intervention. Hence, they have been, in general, inefficient and unresponsive to market demand. And because the egalitarian "communal pot" meant shares for employees and workers largely unrelated to quantity and quality of service or work, many have failed to display enthusiasm for lack of individual incentive.

Pilot Projects

The household contract system of responsibility in the rural communes has proved to be an appropriate way to manage socialist agriculture, in that it has created increased productivity and beneficial results. It is a way in which public ownership of land and other means of production is maintained, and, at the same time, the peasants' democratic rights and material benefits are ensured, so that the interests of the state, the collective and the peasants themselves are all taken into account.

Some pilot projects at selected industrial and commercial enterprises have shown similar results. Though these experiments are still on a limited scale, they have already brought about a brisk domestic market rarely seen since the founding of the People's Republic in 1949.

These pilot projects also involve various kinds of contract systems in which the material benefits of employees and workers are linked directly with the quantity and quality of their work.

The increase of farm produce and general boom in rural areas are forcing the reform of purchasing and transport organization. As the purchasing power of the farming families rises, the demand for industrial products--capital as well as consumer goods--is becoming more and more pressing.

Faced with such demands, the state could, as it has hitherto been apt to, expand manufacturing, transport and distributing capabilities, which would, of course, entail heavy capital outlays. That will have to come eventually and in time.

As experience has repeatedly shown, however, increased capabilities do not always mean a corresponding increase in production, far less productivity. Continued structural and management reforms must go along with, if not precede, further expansion of these capabilities.

Contracted Out

A new and welcome approach is becoming apparent. Thus, Minister of Communications Li Qing has proposed that the provinces and municipalities take part in building more port facilities and organize their own merchant marine fleets, that transport service be provided by collective as well as state enterprises, and that individuals be encouraged to purchase motor boats and vehicles to engage in long distance transport of goods for sale.

Thus, too, a recent State Council directive stipulates that retail and service trades, especially the latter, will henceforth be handled mainly by collective enterprises and individual entrepreneurs, and that such trades now handled by state enterprises will be contracted out to employees on a responsibility system.

The structural and management reforms based on the responsibility system in agriculture have made great achievements in only four years. It can be expected that similar reforms can be accomplished in other sectors of the national economy in not too much longer a time, so that a good economic take-off on a sound basis can come about by the late 1980s.

CSO: 4020/63

EDITORIAL URGES OVERALL, SYSTEMATIC RURAL REFORM

Beijing ZHONGGUO NONGMI. BAO in Chinese 8 Feb 83 p 1

[Article: "Comprehensive, Systematic Reform Still Needed in Rural Villages"]

[Text] During the 4 years following the Third Plenary Session of the 11th Party Central Committee, from a foundation of adherence to public ownership of the means of production, reform of the administration and management system of the country's agriculture has let loose an extremely great energy like the eruption of a volcano. People throughout the country are overjoyed and encouraged by the the extremely fine turn of events in the country's agriculture. A look backward shows that victory did not come easily, and a look ahead shows the task will continue arduous. We must possess an even grander and even more indomitable courage and spirit of enterprise. For the sake of all around vigorous growth of the rural economy, comprehensive and systematic reform, and resolute and orderly reform is required.

We have gone through a long process of exploration of the question of the organization of the rural cooperative economy, including repeated ideological struggle. Following the Third Plenary Session, using practice as the sole criterion of truth, everyone emancipated thinking, summarized experiences, decided that contract responsibility systems linked to output that had been created by the people were a good thing, and used them to improve the cooperative economy. Contract systems linked to output changed the "large common pot" situation, stirred the enthusiasm of hundreds of millions of peasants, and ushered in a new situation in agricultural production.. This was a courageous reform the like of which had never occurred before, whose significance was no less than that of the three major transformations of the 1950's [the socialist transformation of agriculture, handicrafts, and capitalist industry and commerce]. Though agricultural reform has won tremendous successes, it cannot stop with this. We are still facing a series of future reforms. Only after breaking through an extremely small number of forbidden zones can the contract system linked to output proliferate throughout the coun-

try's rural villages where it needs to continue to develop and be perfected. Yet another aspect of reform of the system, such as separation of government administration and commune management, also awaits gradual perfection. Having been emancipated, rural productivity next requires the broadening of avenues and the development of commodity production, thereby calling for further reform of the economic structure. Having resolved problems in production and distribution, contract systems linked to output must go on to solve problems in commodity circulation and marketing, and this must inevitably give impetus to rural commercial reform. At the same time, it will require reform of industry, communications, public finance, and banking. Development of the rural commodity economy will increasingly require culture, science, and technology, and this will make technological reform and educational reform urgent. Two future possibilities exist in rural villages: If we are satisfied with existing achievements, and do not continue reform, it will be difficult to consolidate existing achievements, and the peasants will have to regress. Agriculture will then have to regress, and that will be very unfortunate. If we continue to reform and continue to advance, the rural economy will become more lively and will develop vigorously in an all around way. Of course, we want all rural reforms to continue to avoid a bad future and to win a good future.

In order to turn in a good performance on the four modernizations, the agricultural foundation must be reinforced, and all revolutionaries must become promoters of reform. To become a promoter, further emancipation of thinking is required, and there must be resolve to build a Chinese style socialism, a thirst for national flourishing and development, and abundance and prosperity for the people. Only with such an ambition and such a desire, can one dare to reform, dare to destroy, and dare to create the new. We lack experience in development of a rural commodity economy and in the modernization of agriculture, which can be compensated through study. Study means not only learning from books, but more importantly learning from practice and learning from the masses. The masses make new creations through practice that we should be happy to acquire. When there are new demands, we should enthusiastically serve. Faced with complex matters, among our comrades differences in view exist about which unanimity can be achieved with exploration. This is normal. Understanding is a process, and thinking cannot keep up with circumstances for a time. It comes along later. This is also understandable. However, some people who rose through the past practice of extreme leftism from which they benefitted, now feel their vested interests are threatened whenever they hear the word reform, so they nitpick and obstruct. This is not a usual problem of understanding. They are basically unenthusiastic about the flourishing and prosperity of the country or the abundance and prosperity of

the people. They are enthusiastic only about their own gains and losses, and their own advantages and disadvantages. This is a vicious swelling of individualism. The masses call these people who obstruct, "bars across the doors, and want them to give up their selfish bad habits. This is also a reform. Only reforms can advance; without reform there is no way out. While reforming the objective world, let us reform our own subjective worlds to make new contributions in building a Chinese style socialism.

9432

CSO:4007/100

LARGE INCREASE IN GRAIN PLANTING PLANS

Beijing ZHONGGUO NONGMIN BAO in Chinese 24 Feb 83 p 1

[Article: "Good State of Readiness This Year For Plowing and Spring Planting. Planned Grain Growing Area Larger Than in 1982; Substantial Increase in Means of Production Such as Chemical Fertilizer and Pesticides"]

[Text] Two weeks have passed since the lunar new year, and preparations for plowing and spring sowing are underway throughout the country from south to north. In areas south of the Five Ridges [across the borders between Hunan and Jiangxi, and the borders between Guangdong and Guangxi] where the season begins rather early, spring planting has already begun. What is the situation this year in preparing to plow and sow; what peculiarities exist; and what problems should be watched? The correspondent has interviewed comrades in charge of farming, animal husbandry, and the fishing industry, and on the basis of the situations they describe, this year's preparations for plowing and sowing are very good as demonstrated in the following main ways:

First of all, by carrying into effect the spirit of the national conference of agricultural secretaries and of the rural ideological and political work conference, the broad masses of cadres and masses in all jurisdictions have further emancipated their thinking, increased their understanding of the contract system linked to output, and have aroused to an extreme degree enthusiasm for trying to increase yields and harvest a bumper crop. Before the lunar new year, hundreds of millions of peasant households signed various forms of contract agreements linked to output, promptly built water conservancy projects, gathered manure, and readied the land. While this was going on, in order to satisfy the masses' urgent needs in scientific farming, all jurisdictions took a firm grip on technical training, and on the signing of technical contract agreements, and agricultural scientists and technicians hurried into the frontline of production.

Secondly, leaders at all levels went down into the grassroots to take a hand in implementation of measures of various kinds,

particularly implementation of planting plans. Since last winter, leaders at all levels in provinces, prefectures, and counties have gone down into the front line of production to investigate and study, to uncover new problems, and to solve new problems. In laying planting plans this year, all jurisdictions focused on a suitable revival of the grainfield area. Overall, this year's plans call for a return of the grain growing area to the 1981 level, an increase over 1982. This includes the planting of 18 million more mu than in 1982 of overwintering grain crops such as wheat. The rapeseed area was reduced by 6.6 million mu from 1982, and the flue-cured tobacco area will be controlled at 8 million mu.

Third, All trades and industries actively supported agriculture, and material preparation for spring planting was complete. This year planned supplies of agricultural means of production such as chemical fertilizer, pesticides, and plastic sheeting used in farming increased tremendously over 1982. This included planned sales of 69 million tons (standard tons) of chemical fertilizer, 15 percent more than in 1982; planned sales of 1.55 million tons of pesticides, 5.4 percent more than in 1982; planned sales of 9 million pesticide machines, 30.4 percent more than in 1982; and planned sales of 250,000 tons of plastic sheeting, 31.5 percent more than in 1982 (including 80,000 tons of plastic mulch, 3.7 times the 1982 amount). Quantity of diesel fuel for farm use will also be 1.16 million tons more than in 1982.

Persons concerned said that some problems also exist in this year's preparations for plowing and sowing. In north China, and particularly on the North China Plain, for example, little rain or snow fell during winter so the drought continues, impairing the re-greening and growth of wheat, and spring sowing work. In addition, in some places production responsibility systems and contract agreements have yet to be completely implemented. In some places, the supply of means of productions such as draft animals, small farm machinery and implements and chemical fertilizer is less than demand, etc. Each jurisdictions will have to take these problems in hand on the basis of local realities and solve them properly.

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CSO: 4007/99

CALL TO REDUCE UNREASONABLE BURDENS ON PEASANTS

HK300106 Beijing RENMIN RIBAO in Chinese 28 Mar 83 p 1

[Commentator's article: "Reduce the Unreasonable Burdens"]

[Text] Since the 3d Plenary Session of the 11th CPC Central Committee, the CPC Central Committee has explicitly proposed the important principle of reducing the unreasonable burdens on peasants and adopted a series of measures for this. In the past 2 years, with the implementation of the system of contracted responsibilities with payment linked to output and the solution of the problem of egalitarianism and "everybody eating out of the same big pot," the reduction of burdens on peasants has become an important issue in rural work. After investigation, Yitong County in Jilin Province adopted four measures to promptly reduce the unreasonable burdens on peasants. What they have done is quite reasonable and correct.

That commune members pay a certain amount of money and deliver grain in accordance with the policies and decrees of the party and the state and the contracts they signed with the collectives shows that individual interests are in line with that of the state and the collective and that present and future interests coincide. The peasants well sense this truth and they are willing to pay reasonable taxes. However, the peasants will never agree to it if there are extra burdens or if the collective's retention is in excess of quota and if there are an exorbitant number of items within the overall plans. The efforts to break down the system of "everybody eating out of the same big pot" and the implementation of the system of contracted responsibilities with payment linked to output are aimed at emancipating the productive force in rural areas, making the peasants rich promptly, and strengthening the foundation of the national economy and the worker-peasant alliance. Some comrades say: "It is all right to take a spoon of food out of the small pot of the peasants because they are rich now." As we all know, the peasants have just started to have more food in their small pots. How can they stand it if everybody spoons food out of their pots?

The roots of increasing the load on peasants lie in history. For many years in the past, we asked the peasants for everything and set them all sorts of tasks, and many of our comrades failed to think about the interests of the peasants. Therefore, the practice of collecting exorbitant

taxes and levies from the peasants was apt to arise. We should strive to educate the cadres and wage an ideological struggle in order to overcome this erroneous tendency. Even our forefathers knew the truth: "If people have ample food and clothing then, the emperor will have everything he wishes, but if the people are poor, then the emperor will have nothing." Should we not cherish, benefit and support the peasants still more?

In the past, when people "ate out of the same big pot," those who were at the upper level might take "a spoon of food" or even "eight" to "ten spoons" of food out of the pot. Peasants were not clear about their losses, although they did suffer losses. Now, when people "take a spoon" or even "half a spoon" of food out of the "small pots," peasants are very clear about their losses because we are implementing the system of contracted responsibilities with payment linked to output. When people "spoon more food out of the pot," the peasants will strongly resent it. This provides a favorable factor for reducing the unreasonable burdens. It is very important to do a good job in this matter. It will help us to handle properly the relations between the state, the collective and the commune members, to improve relations between the cadres and the masses, to strengthen and improve the responsibility system and to protect and arouse the initiative of the peasants in production.

CSO: 4007/102

MINISTER URGES DEVELOPING SCIENCE IN RURAL AREAS

Beijing ZHONGGUO NONGMIN BAO in Chinese 6 Feb 83 p 1

[Article by Zhao Shouyi [6392 1343 0001], Minister of Labor and Personnel: "Vigorous Restructuring of Scientific and Technical Work To Meet Rural Requirements --- Excerpts of Speech Before the National Science and Technology Work Conference"]

[Text] Editor's Note: Comrade Zhao Shouyi's speech put forward numerous incisive ideas and important actions for the reform of agricultural science and technology work that are of major significance in directing our real work. The content of his speech is printed below in detail."]

Inescapable Need to Reform Rural Science and Technology Work

Reform of rural science and technology work to meet the needs of rural development is essential. Why is it essential? Because, right now rural science and technology work lags behind rural events, and is most unsuited to the fine rural situation.

In the wake of the Third Plenary Session of the 11th Party Central Committee, rural villages carried out a series of reforms. With the universal institution of contract responsibility systems linked to output, in particular, which aroused enthusiasm among the broad masses of peasants, production developed rapidly, and striking improvements occurred in peasant life. Following arousal of peasant enthusiasm, there was urgent need for science and technology. Peasant fervor to study science and to use science was very high, and in many places a stirring scene of taking hold of the "god of wealth" represented by science and technology came into view.

Development of agricultural production depends first on policies, and second on science. Policies are most important; however, there is a limit to which policies can stir enthusiasm, while science and technology holds infinite possibilities. At the

present time, the state of the rural science and technology corps is very ill-suited to the needs of new circumstances. The rural situation is very fine; however, we should not overlook the backward and unsuitable state of rural science and technology work. One should not suppose that because of the very fine rural situation, science and technology work requires no reform. The lagging behind events of rural science and technology work is manifested primarily in the following two ways:

First, the rural science and technology corps is too small and very much subject to change. Since founding of the People's Republic, 860,000 students have been graduated from agricultural colleges and technical secondary schools, but only 360,000 of these are doing agricultural work. More than half of them have gone into other lines of work, and an additional number continue to "escape from agriculture." The shortage of agricultural science and technology personnel in prefectures and counties is particularly acute.

Second, wages, labor insurance, and welfare benefits for agricultural science and technology personnel are not as good as for staff and workers in other lines of work. A 1980 statistic shows wages of permanent staff and workers in agricultural departments throughout the country at an average 52.70 yuan, 40 percent lower than for staff and workers in industrial departments, and 22 percent lower than for staff and workers in businesses or the service trades. In some cases, wages of agricultural science and technology cadres above the county level had not increased for 20 or 30 years. A very great difference also exists in the bonuses, subsidies, labor insurance, welfare benefits, etc of agricultural science and technology cadres as compared with staff and workers in other sectors. Even per diem payments for temporary duty assignments to rural villages is very low. Such an inequitable system just has to be changed.

What is to be done in the face of such an inequitable state of affairs? Should the old rigamarole and the old hocus pocus of using "conservative treatment" to solve the problem be used, doing things such as adding a few positions to the table of organization and increasing operating expenses a little? Or should strong action be taken to bring about reform by doing things such as instituting a professional wage system, a hiring system, and a contract system for fundamental solution to problems? Certainly, to carry out a complete and thoroughgoing restructuring all of a sudden would be difficult right now, and some transitional methods may have to be employed; nevertheless, movement must be made in the direction of major reform for without major reform, there is no solution to the problem!

Problems in Strengthening of the Agriculture Science and Technology Corps

Strengthening of the agricultural science and technology corps requires retaining and increasing the number of present scientific and technical personnel, and a strengthening of the front-line science and technology corps. Then, in the future, changes in education will have to be made to develop new science and technology forces. Some effective actions that can be taken in this regard are as follows:

(1) Agricultural science colleges and secondary vocational schools need a specific orientation in student enrollments and assignments. Youths whose families live in rural villages, or whose families live in cities where they are devoted to agricultural work, should be enrolled in agricultural institutions of higher learning. Graduates of institutions of higher learning should have to work in the frontline of agriculture for 3 to 5 years, after which they could go into a government agricultural office. Most rural senior middle schools should be changed into vocational middle schools for the training of workers who are cultured and who understand technology. Regular middle schools should also provide needed courses in agriculture.

(2) Agricultural science and technical personnel who have gone into other lines of work should be mobilized to return to agriculture. All agricultural science personnel who have been in other lines of work for less than 10 years and who are in the prime of life (males under the age of 50 and females under 45), should be mobilized to return to agriculture, and units in which they are employed should not be permitted to block their return. Those who do not want to leave cities should be allowed to retain their city household registration. Those who have been in other lines of work for a long time, but who possess specialized skills, should also be welcome should they desire to return to agriculture. The best way of getting such people back into agriculture is to use public notices of vacancies to be filled on contracts.

(3) Operation of various forms of training classes to upgrade the scientific and technical levels of technical personnel, specialized households, and scientific and technical households. Establishment of an agricultural technology testing commission for the issuance of certificates, validation of academic credentials, and conferring of titles on all those who successfully pass examinations.

Agricultural science and technology personnel on the job should also continue their education through various means such as

correspondence courses, television broadcasts, and leaving their posts to take refresher courses for constant improvement in their scientific and technical skills.

(4) Improvement and enhancement of the work of evaluating the credentials of rural scientific and technical personnel. The work of evaluating scientific and technical cadres credentials has already played a very useful role; however, in carrying out such work it is necessary to guard against a certain tendency, namely that of looking only at academic backgrounds, or looking only at academic papers, and disregarding the results of actual work. We should look at academic backgrounds, and we should look at academic papers, but we should also look at inventiveness in the course of practicing production and practicing science, as well as economic effectiveness derived from promotion of scientific and technical accomplishments. To look at only academic backgrounds and academic papers is to encourage people to lock themselves in rooms to study books and write papers, and to be unconcerned with production results or unwilling to go into the frontline of production.

Use of Policies to Arouse Enthusiasm Among Agricultural Science and Technology Personnel

A central issue in rural science and technology work is further implementation of policies on intellectuals. It is the issue of arousing their enthusiasm. Until such time as the labor wage system has been completely restructured, some flexible policies and major measures have to be adopted to give impetus over a period of time to the rational movement of skilled people, to gradually institute greater rewards for greater work, and to permit some people to become prosperous first.

(1) All agricultural scientific personnel in a unit who are being used on subjects other than those studied and who cannot function to best advantage should be allowed to go to units where they can function to best advantage, what they studied to do and what they are doing thereby becoming synonymous. Agricultural scientific and technical personnel spread all over the country in various sectors should be returned to their original line of work through exchanges of personnel.

(2) Gradual promotion of a contract system of soliciting job applicants. Rural villages can advertise in schools, scientific research units and government organizations for the various specialized talent that may want to fill rural needs. Personnel responding and units soliciting personnel should sign agreements setting forth the rights and duties of both parties on matters including wages and emoluments.

(3) So long as scientific and technical personnel complete the work of their own positions, they should be permitted to accept invitations from other units to act as advisors or to act concurrently in teaching classes, giving lectures, doing research, designing, or consulting, and they should be allowed to receive compensation in addition to their wages.

(4) Under most conditions, individuals should be free to resign and to find their own employment. A certain number of professionals who make their living by using their own intelligence should be permitted in society.

(5) Scientific research units, institutions of higher education, and industrial enterprises should be permitted to provide technical services to rural villages in an organized way, receiving suitable compensation therefor.

(6) People who are inventive and make contributions should be rewarded, and those who make great contributions should be greatly rewarded. The inventors themselves should be the principal recipients.

(7) Scientific and technical personnel who go to rural villages should receive special benefits, such as retention of their city household registration. Preferential treatment should be accorded them in the schooling and employment of their children.

(8) Both parties should discuss and reach agreement on wages to be paid scientific and technical personnel who go to rural villages at the time they are being solicited for employment. Fluctuating wages, fluctuating grade increases, or signing of agreements in connecting with job applications may be done in the case of those currently serving as scientific and technical personnel.

In addition, other effective actions should be taken to encourage agricultural scientific personnel to go into frigid regions at a high altitude, to border regions, and into minority nationality areas to work. All scientific and technical personnel who go into frigid regions at high altitudes, into border regions, or into minority nationality areas to work, should be permitted to return to the interior of the country and establish homes after reaching a certain age or after serving a certain number of years. Local areas may provide scientific and technical personnel with subsidies on a case by case basis, and authorities concerned may not interfere.

Energetic Promotion of Scientific and Technical Contracts System

The main form of scientific and technical promotion work in rural

villages today should be contracting. "Contracts" as a pledge, those contracting becoming bound, has become a universal principle. The role of scientific and technical contracting is great and advantageous numerous. Contracts are able to arouse to the full the enthusiasm of the broad masses of scientific and technical workers, hasten development of production, and advance toward production in breadth and in depth. They can spur on scientific and technical households and specialized households, and raise scientific and technical levels. They are a fine form for linking scientific and technical cadres with the masses. They are an embodiment of the socialist principle of "from each according to ability, to each according to work." They are an effective means of overcoming egalitarianism, and they constitute a new Chinese style path for spreading agricultural science and technology.

The forms of scientific and technical contracting are diverse; their general methods must be applied to specific situations at specific times. For example, when a research institute collectively contracts with peasants, profits should be distributed in accordance with the principle of compensation according to work. Alternatively, an individual or several individuals might be permitted to have their salaries stopped in order to be retained on contract, compensation going principle to the individuals concerned. Individuals should not, however, be permitted to short-change both. So long as work in an assigned position is finished, one should also be permitted to contract after hours, all compensation received belonging to themselves alone. No matter the form adopted, it should advance development of production, embody the principle of to each according to work, link responsibilities, rights, and privileges, and provide greater rewards for greater work, some scientific and technical personnel thereby becoming rich first. To take as compensation a portion of the wealth one has created by one's own labors is right, fair, legal, and protected by law.

"Able people" can contract, but what about those who are not able? No one in the world is born an "able person." "Ability" comes from experience and diligent study. So-called "lack of ability" is actually "laziness." Today's circumstances drive people and motivate people to work hard. Contracting by skilled people is a goad to the lazy. All they have to do is study hard, and they too can change from "lazy" to "industrious," and from "lacking in ability" to "able." Thus one might say that contracting not only produces economic effectiveness, produces speedy development, and produces spiritual civilization, but also produces government revenues, and produces able people.

Reform of rural scientific and technical work will require getting rid of large common pots and iron rice bowls, and this

may encounter all sorts of obstacles. "A sentry above, a lookout below, and a bar across the door in the middle," is an old saying, and a "bar across the door" is an obstacle. Some people always want to hold out their iron rice bowls with both hands to receive food out of a large common pot. If you tell them that the rice in the pot is bad tasting thin gruel, they will still want to eat it. Therefore, reform is no less difficult and no less significant than reform of capitalist industry and business. We must become promoters of reform and not "bars across the door." We must carry out reform with resolve and confidence. One we see things properly, we must act courageously, with no looking on and no passive waiting. When we are not completely sure, we should do testing, and actively summarize experiences in the course of practice. Naturally we should not rush headlong into rash action or practice "arbitrary uniformity." In short, we should proceed from realities. So long as something helps in the building of China's special brand of socialism, helps China grow and flourish, and helps enrich and improve the people's livelihood, reforms should be resolutely carried out and thoroughly carried out!

A new situation in rural scientific and technical work will certainly come about very quickly.

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DEVELOPING SCIENCE IN RURAL AREAS PROMOTED

Beijing RENMIN RIBAO in Chinese 19 Feb 83 p 3

[Article by Wang Yougong [3769 0645 1872]: "More New Development of Rural 'Craze For Science'"]

[Text] At the recently held China Science Society conference, workers popularizing science from everywhere briefed reporters on the gratifying rural "craze for science."

First of all has been great organization of all scientific and technical strength in rural villages. Within the short period of 2 years, one-fourth of the country's communes have set up commune science popularization societies organized by agricultural technical personnel, peasant technical personnel, intellectual youths who have returned to the countryside following intensive study of science and technology, skillful craftsmen, and leading cadres who are enthusiastic about the popularization of science. These mass science popularization organizations have closely linked traditional agricultural techniques and modern science and technology and have satisfied, to a certain extent, the scientific and technical needs of hundreds of millions of peasants.

In a new situation, peasants in numerous places have begun to "go in for science" themselves. More than 50 Miao households and commune members of Han nationality in Rongshui Commune in the Rongshui Miao Nationality Autonomous County learned from farming that "in order to become wealthy, science and technology had to be organized." Since 1981, they have paid a society membership fee on the basis of the number of mu each household has contracted to run a technical association called a "farming society." The society regularly invites specialists and experts to teach, and to organize scientific farming competitions. The scientific farming level of society member households has gone up remarkably, and both output and cash earnings are also higher than for non-members. During the spring of 1982, a return of cold in spring occurred, and rotting of seedlings was serious throughout the commune, but society member households had fewer rotten seedlings. At the time, the growing season was slipping away and

there was a shortage of superior varieties of seedlings, so the peasant farming association took the initiative in helping non-member households solve problems with seeds and seed propagation techniques. As a result, not only was there no decrease in the entire commune's yields of early rice, but the harvest was more than 1.6 million jin larger than in the previous year. One peasant household that had refused to join the society because it cost money and took time away from work now borrowed money and came around to the peasant farming society with a child and say, "I want to turn this child over to you. You teach him to farm."

Intellectual youths who like to study things in detail and are dissatisfied with only a specialized technical knowledge also want to carry out technical innovation and launch experiments to "tackle key problems." This is yet another new vista in the rural science craze. Many of them have spontaneously organized scientific experiments. In Chengxi Commune in Jintan County, Jiangsu Province, a group of 12 including Wu Guofa [0702 0948 3127] organized themselves to study how to increase the fruiting rate of "Nanyou No 2" hybrid rice, accumulating a large quantity of data over a period of 2 years. A peasant named Peng Guanming [1756 0385 2494] in Liuzhou Prefecture, Guangxi Province, worked on backcrossing to produce seeds. He set up a control field, and separated areas, followed operating rules strictly, and prepared reference data correctly, all of which won the praise of the experts. In Zhejiang Province, some peasants in quite a few communes have also signed agreements with the Provincial Academy of Agricultural Sciences and with institutions of higher learning to take responsibility for scientific experiments assigned them.

"When a family has a 'learned person,' it is like having a 'living god of wealth'," has been a truth that many peasants have come to realize gradually through farming practice in recent years. This "discovery" has stirred peasant enthusiasm for investment in intelligence. In places where formerly it was difficult to "eliminate illiteracy," today numerous peasants call for the "elimination" of both "illiteracy," and "scientific illiteracy." After-hours technical schools operated with funds that peasants themselves have contributed are blossoming everywhere. Some peasants are not afraid to make a very high investment in order to learn special techniques. When the Su County Agricultural School in Anhui Province assigned quotas for people to attend two courses for which they had to pay themselves, several hundred people heard of it and registered. In order to master the technique of growing tremella, a youth from Xuancheng Prefecture travelled a great distance to Gutian in Fujian to find a teacher, spending several hundred yuan in the process. The newly merging "craze for investing in intelligence," is also revealed in peasant willingness to spend money on subscriptions and to buy scien-

tific and technical books and magazines. Many "scientific and technical households," and "specialized households" subscribe to several, or more than 10, scientific and technical journals.

In rural villages today, yet another prominent new situation of "science popularization and cultural villages" has come about. Science popularization and cultural villages" closely link together science, literature, and art with hygiene, and physical education. They link publicity about the popularization of science with peasant after-hours education. This both opens a new front in mass popularization work, but also adds a new dimension to peasant after-hours education. People feel this is a mighty torrent that blends several forces for the building of rural socialist material and spiritual civilization that will continue to gather momentum and will not only make the peasants economically prosperous, but will also enrich the peasants spiritually at the same time.

The rural "craze for science" is in the ascendant, and new things are emerging in an endless stream. This requires that each and every leading cadre and scientific and technical worker be concerned with it, study it, and guide it. Not long ago, the Shanghai County Science Society planned to run an "accelerated mechanical blueprint reading" training course, and after posting general regulations calling for students, to everyone's surprise more than 15,000 people registered. This event shows that with development of rural commune and brigade enterprises, changes in the structure of industry, and steady improvement in the people's material and cultural life, the knowledge needed by the broad masses of peasants is much broader and is much wider in scope than the "agricultural science and technology knowledge" that people formerly understood. How to promptly and effectively get into rural villages the diverse kinds of scientific and technical knowledge that hundreds of millions of peasants need is a major task confronting the broad masses of scientific and technical workers and those engaged in the popularization of science.

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SHARP INCREASE IN PEASANT INCOME

Beijing RENMIN RIBAO in Chinese 28 Feb 83 p 1

[Article: "Peasant Income Increased 18.6 Billion Yuan in 1982. Sharp Rise in Number of Well-to-do Households; Great Drop in Needy Households "]

[Text] Preliminary statistics from the State Statistical Bureau show tremendous increase in peasant monetary income throughout the country in 1982. Money income totaled 170.5 billion yuan, 18.6 billion yuan or 12.3 percent more than in 1981, and 77.7 billion yuan more than in 1978.

The average annual increase in peasant monetary income in China during the past 4 years has been 5.9 fold the average annual increase during the 26 year period from 1952 to 1978.

Increase in peasant monetary income has been characterized by a sudden spurt in the number of well-to-do households with substantial monetary income, and a great drop in the number of needy households with relatively little monetary income. A survey of 18,000 peasant households in 26 provinces, municipalities, and autonomous regions shows the number of well-to-do households with an average per capita income of more than 300 yuan to have increased from 2.4 percent in 1978 to 22.6 percent in 1981. Meanwhile, the number of needy households in which average per capita income was less than 100 yuan fell from 33.3 percent in 1978 to 4.7 percent in 1981. In an overwhelming majority of the country's most poverty stricken and backward 231 counties, food and clothing problems have been basically solved.

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DEPUTY MINISTER OF WATER CONSERVANCY AND POWER ANSWERS QUESTIONS

Beijing ZHONGGUO SHUILI [WATER CONSERVANCY IN CHINA] in Chinese No 1, 1983 pp 2-6

[Article] "Plant the Feet Squarely on the Ground and Put Shoulders to the Wheel to Make a Contribution to Initiating a New Situation. Deputy Minister of Water Conservancy Answers Reporters Questions"]

[Text] Question: ZHONGGUO SHUILI [WATER CONSERVANCY IN CHINA] magazine's editorial department has received letters from readers who are concerned about how we are going to initiate a new situation in water conservancy, and how we are going to meet requirements for quadrupling production? With the advent of a new year, I would like to tell readers your views in this regard.

Answer: This is the first year for initiating a new situation in the building of socialist modernization, and it is also the first year for implementation of the new constitution to struggle for the country's tranquility and the people's prosperity. Everyone hopes for new progress in the new year. Every battle front, every place, every unit, and cadres at every level should prepare a direction their efforts should take. Today, water conservancy departments at all levels are diligently studying documents from the 12th Party Congress and from the Fifth Session of the Fifth National People's Congress, and they are conscientiously pondering, checking into, and discussing the issue of how to initiate a new situation. We are determined to keep up with new situations in our thinking and in our work. The 12th Party Congress posed to the entire party and to all the country's people the magnificent goal of quadrupling the country's gross output value of agriculture by the end of this century. The Fifth Session of the Fifth National People's Congress passed the Sixth 5-year Plan for China's national economic and social development. This is an important step toward realization of the magnificent 20 year objective. The all-around initiation of a new situation in the building of socialist modernization is the great historical mission that the age has bestowed upon us. Each and every one of us should work from his or her individual position, foster lofty

ideals, set high goals, plant his feet solidly on the ground, and struggle arduously toward realization of the Sixth 5-year Plan and towards initiating a new situation.

Question: As water conservancy workers, how should we regard the historical mission of water conservancy in the new historical times?

Answer: Water conservancy's fundamental task is to promote what is beneficial and abolish what is harmful. Not only must we develop, use, manage, and safeguard water resources so that they can serve production in all sectors of the national economy, and the people's livelihood, but also there is the issue of controlling the rivers, prevention of flood water damage, and assuring both that the building of the economy goes forward normally and that the people's lives and property are safe. That is to say that water conservancy is an important protective screen in building the national economy and a secure society.

Because of China's peculiar natural conditions, distribution of precipitation is extremely uneven from place to place, season to season, and year to year. Water and drought disasters occur frequently, and they have historically been a a major stumbling block for the people's production and livelihood, and they will also be a restrictive factor in future building of the economy. We must have sufficient understanding of this point, and we must understand and recognize our tasks and responsibilities in terms of the national economy as a whole.

First is agriculture. The 12th Party Congress made development of agriculture one of three strategic focuses. The Sixth 5-year Plan stipulates a 21.7 percent increase in agriculture's gross output value, or an average 4 percent annual growth. By 1985, total grain output is to reach 360 million tons, a 12.3 percent increase over 1980. Cotton output is to reach 3.6 million tons, a 33 percent increase over 1980. The average annual incremental speed of increase in the gross output value of agriculture during the Sixth 5-year Plan is higher than the average annual speed of increase for the previous 28 years. On the basis of practice in the development of agricultural production since founding of the People's Republic, we want to assure steady and sustained agricultural growth. In addition to carry into effect the party's various rural economic policies, promoting various forms of production responsibility systems, and fully stirring peasant enthusiasm and scientific farming, it is necessary as well to improve steadily the capacity of agricultural production to withstand natural disasters, so that agricultural production will become highly intensified, to make the most of the advantages that the country's vast rural workforces provide, to engage in painstaking

and meticulous farming, to increase yields per unit of area, and thereby attain the goal of consistently high yields. Water conservancy is a basic condition for realization of consistently high yields in agriculture. Its role in agricultural production is very conspicuous. In the more than 30 years since founding of the People's Republic, China has carried out large scale water conservancy construction, annually developing an average 15 million mu irrigation area, providing the water conservancy needed for an annual average annual increase of 12 billion jin of grain. Today, irrigated fields that account for less than one-third the country's cultivated land produce two thirds of its total grain output. The reasons for agriculture's increased output are numerous, of course, but even so, without the more than 30 years of building of so many water conservancy projects for flood prevention, irrigation, and drainage, it would be hard to imagine that grain production would have been able to reach today's levels. Statistical data from abroad shows 15.8 percent of the world's cultivated land area to be irrigated, yet in terms of output value, the harvest of agricultural products from this land amounts to 50 percent of the gross output value of cultivated land. In the Near East, irrigated land accounts for 36 percent of total cultivated land, but its output is 70 percent of total output. In Punjab State in India, calculations of the output value of irrigated and unirrigated land showed 40 percent increase in output from the growing of paddy rice over large irrigated areas, and a 79 percent increase for wheat. It is precisely because grain yields per unit of area are fairly high and benefits in increased output greater than India, the United States, and the USSR all devote serious attention to development of irrigation.

A look at current development of agriculture shows that it is places with medium and low yields that hold greatest potential for increased yields, and the most prominent conflict in these places is still water conservancy. Medium yield places like Shandong, Henan, Hebei, northern Jiangsu, northern Anhui, Jilin, and central Heilongjiang provinces have more than 600 million mu of cultivated land producing grain yields averaging only 300 to 500 jin per mu. Were a good job of draining waterlogging and irrigation to be done in these places, yields would increase by 100 jin per mu, making possible the harvest of an additional 60 billion jin of grain. An example is the Sanjiang Plain of Heilong Province where yields average only slightly more than 200 jin per mu. Simply by doing a good job of drainage and providing needed irrigation facilities, grain yields could be increased many times over. In lowlying saline-alkaline areas of the plain of the Yellow, Huai, and Hai rivers, a good job with drainage ditches and control of the water table, together with proper irrigation, and yields would multiply. With proper equipping of the ditch

system at the bend of the Yellow River in Ningxia and Nei Monggol and a stop to use of flood irrigation, water use could be cut by half, yields doubled, and the alkalization and salinization of the soil halted. By lining irrigation ditches with stones in the Hexi Corridor region of Gansu Province, the irrigated area could be greatly expanded and output greatly increased. The large arid northwest area has no agriculture because it has no water conservancy. Were everyone to build 2 or 3 mu of basic farmland, and to change from scant harvests from a large planted area to high yields from a small planted area, the area planted to grain could be reduced, cultivated land returned to forests or grasslands, economic diversification developed, and the poverty stricken situation changed. Even in high rice yield areas of the south, a potential to be tapped also exists. A good job of building separate irrigation and drainage systems, a halt to irrigation by channeling water along furrows, and a halt to flood irrigation could increase yields by from 10 to 30 percent. Simply by proper building of drainage projects, yields could be increased tremendously from sodden fields, and from cold waterlogged fields. In the winter wetlands of the southwest, by solving the problem of water supplies, yields could be doubled. In the drylands of the south, by simply devoting attention to maintaining moisture and fertility for dryland crops, and by intensifying care, yields could be increased many times over.

Grain requires water and economic diversification is also inseparable from water. The reason why trees planted in the northwestern part of the country have a low survival rate, and many "small old trees" do not prosper is lack of water. Experimental data from Fujian Province also shows that two or three sprayings increases citrus yields by 20 to 30 percent, and also raise the grade of the fruit. The growing of cotton and other cash crops is also inseparable from water. Without water, there can be no fishing industry.

China has more than 3 billion mu of usable grasslands of which only slightly more than 5 million mu has irrigation facilities. Irrigated grasslands can support one sheep per 4-odd mu, but without irrigation, as a result of the regression and desertification of the range, an average 20 mu is required to support one sheep. In some grassland pastoral areas, problems of potable water for people and livestock have not been solved, and this restricts development of the livestock raising industry.

Let us now look at industry. The major Chinese cities for large numbers of industrial bases include Beijing, Tianjin, Wuhan, Shanghai, Guangzhou, Shenyang, and Haerbin, all of which are located in places threatened by flooding during the high water season. Since the 1970's, with the development of industry and

increase in population, the size of cities has steadily grown, and urban flood prevention has become an increasingly acute problem. In addition, we must also realize that the amount, quality, and rate of assurance of water supplies are all higher for industry and urban life than for agriculture. Economic losses occasioned by drought or water disasters are also much larger than for agriculture. Unless we take effective action, the safety of cities and development of industry will be very greatly impaired. In many cities in north China today, a water crisis has occurred because of the shortage of water supplies, and this has hurt industrial production and the normal life of the inhabitants. Right now, in cities and towns along the Tianjin-Pukou Railroad to the north of Xuzhou, and along the Beijing-Guangzhou Railroad to the north of Zhengzhou, as well as on the Shandong Peninsula and the Liaodong Peninsula, there is a general water shortage. Water problems in Beijing, Tianjin, Qingdao, Yantai, and Dalian urgently require solution. In the building of energy bases in Shanxi, the lack of water resources has become a big obstacle.

With development of the national economy and increase in urban population, the quantity of water used in industrial production and urban life has increased many times over, and the water shortage must inevitably create serious economic losses. Consequently, water conservancy is a major limiting factor in the "two doublings." At this important time of all-around initiation of a new situation in the building of socialism, as water conservancy workers, we must have a clear understanding of the historical mission that we must shoulder.

Question: Please discuss what requirements realization by the end of this century of the magnificent agricultural goals pose for water conservancy.

Answer: In the 30 years since founding of the People's Republic, the quantity of water used in China has developed fairly rapidly. Pertinent data show that by 1979 total water use had increased from the 103.1 billion cubic meters of the period immediately following Liberation to 476.7 billion cubic meters, an almost fourfold increase. This included 419.5 billion cubic meters of water used for agriculture, a threefold increase; 26.3 billion cubic meters for industry, an 11-fold increase, 24 billion cubic meters for thermal electric power generation, a 60-fold increase; and 4.9 billion cubic meters for urban life, a sevenfold increase. It has been estimated that by the end of this century, China's water consumption will total between 640 and 740 billion cubic meters, including a 1.17 to 1.76 percent rate of increase for water used in agriculture, and a 3.7 to 4.8 percent rate of increase for water used in industry. This estimate is lower than

the average world level. A 1980 American technical journal estimated the quantity of world water use would increase by 3.1 percent per year using 1967 as the base year, including a 2.1 percent annual rise in use of water for agricultural irrigation, and a 5.0 percent rise in industrial use of water. Even though China's speed of increase cannot be considered large; nevertheless, because of the limitations of natural conditions, the task will be extremely arduous.

Imbalance in water resources, regional variations, and changes in time and space add to difficulties in exploiting water resources. In water short areas of north China, the degree to which surface water has been developed for use is already fairly high. In the basin of the Hasi and the Luan rivers, and in the Liao River basin, for example, the utilization rate is between 60 and 65 percent. As industry develops, the water shortage will become a very prominent problem.

Furthermore, flood prevention is an important guarantee for national economic development and the security of people's lives and property. Inasmuch as the country's large rivers and even some of its medium and small rivers have not been brought under complete control, the flood threat has not been solved. Though the large numbers of water conservancy project we built following founding of the People's Republic play a very great role in withstanding ordinary flood and waterlogging disasters, standards for flood prevention are generally overly low. Therefore, increase in river flood prevention capabilities is extremely important in order to be able to assure national economic development and the people's safety. Since the climate has tended to be dry during the past 10 years, some comrades mistakenly suppose that the water control problem has been solved. This is a total misconception. Since last year, some rivers have regularly flooded fairly seriously, and this has sounded an alarm for us. If, by some chance, something were to happen on major rivers such as the Yellow and the Yangtze, planning for the entire national economy would be thrown into confusion, and building of the four modernizations seriously impaired. On this account, we cannot let anything whatsoever to chance, or relax vigilance; rather we must make full preparations.

Question: What is the major task for water conservancy construction during the Sixth 5-year Plan? In initiating a new situation in water conservancy, what work has to be taken in hand in order to meet needs in developing the national economy?

Answer: The Sixth 5-year Plan and Premier Zhao Ziyang's report to the Fifth National People's Congress have already been published in the newspapers. As regards water conservancy con-

struction tasks during the period of the Sixth 5-year Plan. Premier Zhao Ziyang noted in his report that "The focus will be on strengthening flood prevention capabilities on the Yellow River, the Yangtze River, the Huai River, and the Hai River; on building in Hebei Province of the Panjiaokou Reservoir, the Daheiding Reservoir, and the project for diversion of the waters of the Luan to Tianjin to moderate the conflict for water between agriculture and industry in the Beijing-Tianjin area; and continued construction of commodity grain bases on the Sanjiang Plain in Heilongjiang Province, in the Boyang Lake region of Jiangxi, in the Dongting Lake region of Hunan, and in the Bishihang Irrigation region of Anhui Province." In addition, he noted that emphasis in energy construction would be on development of hydropower resources in the upper reaches of the Yellow River, the middle and upper reaches of the Yangtze River, and in the Hongshui River basin. Comprehensive control and comprehensive use of major rivers would be launched to realize many objectives so that they will not only provide optimum economic benefits, but optimum social benefits as well. This has been our consistent program for the building of water conservancy and hydropower; for this reason, development of hydropower is the same thing as development of water conservancy.

The 12th Party Congress decided on a 20 year strategic program divided into two steps. During the first 10 years, mostly a good foundation will be laid, strength mustered, and conditions created. During the second 10 years, a new period of vigorous economic development will be entered. I believe that during the first 10 years, our building of water conservancy will stress mainly the strengthening of management, full tapping of the potential of existing projects and facilities, and improvement in economic effectiveness. At the same time, there will be a strengthening of work during the first period so as to ready technical reserves and lay a foundation for vigorous economic growth during the second 10 years. This takes account of several elements in the present state of water conservancy projects. 1. More than 30 years of water conservancy construction has produced substantial fixed assets, and a definite basis has been formed. Existing projects and facilities have a very large potential that has not yet been brought into play. 2. As a result of natural depredations and man-made influences, maintenance of effectiveness in existing projects requires timely repairs, and the replacement and renovation of projects and facilities. Pump wells, for example, can be used for about 15 years, so 100,000 pump wells in the country will have to be replaced each year. The effective useful life of water pumps and electro-mechanical equipment at pumping and irrigation stations is about 20 years. Since most of these pumps began operation in the 1960's and 1970's, on the basis of normal requirements it has been esti-

mated that between now and the year 1990, annually 5 to 7 percent of the equipment will have to be replaced. If it is not, then it will not be possible to maintain the existing irrigated area. 3. Over the short run, the state will be unable to increase investment greatly to build water conservancy. Even were the state to invest, it takes at least 10-odd years to complete building of a large water conservancy project, and it could not be completed and put to use within a short period of time to provide benefits. Consequently, we will have to continue to carry out a policy of readjustment, restructuring, reorganization, and upgrading for a time. Determined implementation of the spirit of the national water conservancy management conference for shifting the emphasis of water conservancy work to management is the first way in which to strengthen management of existing projects, make full use of their potential, and increase their economic effectiveness. In this regard, it is necessary to meet the demands of the national water conservancy management conference for complete fulfillment of the "three checks and three sets" (i.e., checking safety and setting standards; checking effectiveness and setting measures; and checking overall operations and setting development plans), to understand the present state of water conservancy projects and facilities, to analyze and study existing problems, to propose programs, policies, and actions to be taken to meet the new situation, to perfect management organizations and management systems, to buttress legal system management, to do a good job of equipping projects, and repairing, maintaining, replacing and renovating equipment, eliminating hazards and reinforcing projects, clearing away obstacles in rivers, and raising flood prevention standards. Every available means should be used to conserve water and conserve energy for resolute overcoming of the presently irrational situation of a lack of water on one hand while large quantities of water are being wasted on the other. Potential for saving water in industry is particularly great. Currently the recycling rate for water used in industry is only 20 to 30 percent, while it is 60 to 70 percent in foreign countries. Right now industry is without water consumption norms, and it has no verification system. In addition water rates are too low, which is very unhelpful in conservation of water use. Furthermore, pollution of water sources has increased greatly. It is recommended that the state verify industrial water consumption guidelines henceforth, and make conservation of water as important as conservation of energy and conservation of raw and processed materials. It should also promote recycling of water and other measures to conserve water. It should readjust the price of water, and institute fixed quotas for supply of water, imposing graduated price increases for exceeding quotas. Potential for water savings in farmland irrigation are also very great. A system for collecting water fees should also be followed in rural villages, fees instituted on the

basis of the size of areas irrigated to help bring down the amount of water used for irrigation.

At the present time, it is necessary to reset water fee standards to promote conservation of water and to increase benefits. Because water fees have tended to be low, for many years some places have not bothered to collect water fees. As a result, numerous many water conservancy projects and facilities not only have no funds for replacement and renovation; they even need funds from the state for routine care and repairs. Fees for water should be the main source of cash income for water conservancy management units with the main task of supplying water. In addition, they should make use of water and soil resources, equipment and manpower within the jurisdiction of projects for vigorous development of all-around operations.

Second, the winter and spring slack season in farming should be used for capital construction of farmlands and for water and soil conservation work. This not only helps increase the certainty of being able to irrigate the existing area, but the irrigated area may be increased. In doing this work, it is necessary to summarize past experiences, adapt general methods to local situations, seek concrete results, and not practice formalism. Policies should be heeded, and a spirit of self-reliance fostered. In his report on the Sixth 5-year Plan, Premier Zhao noted, "It is necessary to vigorously improve the conditions of agricultural production, advocate peasant reliance on their own strength, accumulate funds and labor, and adapt general methods to specific situations to do needed capital construction in agriculture." All jurisdictions can set a fixed amount of compulsory labor to be performed annually by each worker (20 - 40 workdays, for example), as accumulated labor for the purpose of doing farmland water conservancy and water and soil conservation work. This is a production activity like other farming activities in any given year, and it is not to be regarded as egalitarianism and indiscriminate transfer of resources. For projects under centralized planning that cut across jurisdictional lines, methods such as exchange of labor, exchange at equal value, working around a circuit or taking turns in receiving benefits may be used. This is, in effect, shared operation of water conservancy. Individual provinces should assure payment of expenses for farmland water conservancy and water and soil conservation, use them in a concentrated way, and make planned disbursements so as to increase their effectiveness. In order to strengthen organizational leadership for this work, it is recommended that once each year assignments and inspections of results be summarized, and work continued. Experience has shown that when a production brigade or team, a commune, or even a county perseveres for 5 or 6 years, 7 or 8 years, or 10 years and more, the agricultural situation can

be vastly changed.

The spirit of the Fourth National Water and Soil Conservation Conference should be upheld, vigorous publicity given "Regulations on Water and Soil Conservation Work," and continued attention given control of small basins.

In view of the new situation that has appeared in the building of farmland water conservancy following institution of production responsibility systems, central government leading comrades recently issued some important instructions calling upon "water conservancy departments to keep apace of new developments and stand in the forefront of the masses to give direction, particularly on technical jobs." We will resolutely carry out the spirit of the instructions from central government leading comrades, and diligently study and solve new circumstances and new problems that have emerged in farmland water conservancy construction. Leaders at all levels should give support and encouragement to peasant enthusiasm in wanting to build water conservancy following institution of responsibility systems. They should strengthen organizational leadership, and do centralized planning. Water conservancy departments should intensify technical direction and technical training so that farmland water conservancy construction develops soundly.

Third, the national water conservancy system's work conference for appraisal of activities to produce excellence that was held not long ago in Jiangdu, Jiangsu Province studied and planned water conservancy capital construction. They emphatically pointed out: 1. The need for diligent continuation of the building and equipping of projects, selective investment in construction, concentration of financial, material, and manpower resources, shortening of work time, producing benefits as quickly as possible, not trying to do too much, not starting too many projects at the same time, and not scattering shots. 2. A solid job during the early stages of projects. The work that is done in the early stages is decisive for the project and plays a decisive role in controlling the overall situation. All jurisdictions should preferentially select some projects that are urgently needed, conduct feasibility studies and do surveying and designing work, make necessary preparations in advance, and begin whenever conditions are right. For this purpose, water conservancy departments at all levels should strengthen leadership of basic work tasks such as planning, surveying, designing, scientific research and hydrology. They should give assiduous attention to primary data and to technical and economic testimony, and to solving real problems in the course of work. Some comrades have reported with regard to a shortage of funds for work during the early stage that the State Planning Commission has issued a formal notice

saying that beginning in 1983, early stage work must be made part of plan, and expenses may be included as capital construction investment.

For the country as a whole, planning must continue on the basins of large rivers, and technical verification, planning, and preliminary design work must be done for some major projects such as in the three gorges of the Yangtze River, and construction of a project for carrying to the north waters from the south. Study of scientific, technical and policy questions surrounding these major projects must also be done.

Question: Please continue on where the initiation of a new situation in water conservancy should now begin.

Answer: Water conservancy construction must likewise rely first on policies, and second on science. The situation pertaining to problems about pertinent policies such as the source and use of funds, wages for civilian laborers, bonus policies, accumulation of mass labor, compensation to be paid for movement of workers, and collection of water fees is fairly complex. New methods to meet the needs of newly developing circumstances are urgently needed. Our former investigation and study of problems in this regard has been very inadequate. Consequently, I believe a matter of priority importance is continued study and through understanding of the spirit of the 12th Party Congress, making use of the direction pointed out by the 12th Party Congress to emancipate thinking, to probe realities, to link up with the masses, to investigate and study, to exchange experiences, to clarify thinking, to understand new circumstances, to study new problems, and to propose courageously new policies and new methods that meet new circumstances. Today, in both capital construction and in project management, prevailing systems, rules, and regulations are too numerous. Things are controlled to death. In particular, more work without more reward does not reflect the principle of distributions according to work. This is bad for the enthusiasm of construction and management units, and of the masses. During the past year or two, with the spread of rural responsibility systems, some water conservancy project management units have also begin to use economic responsibility systems, such as linking the calculation of compensation to output, figuring bonuses on the basis of profits, five fixeds and one reward, fluctuating wages, piece rate wages, specialized contracting, contracting production quotas to teams or linking output to individuals, etc in the adaptation of general methods to specific places and specific tasks for very good results. . Recently, Central Committee leading comrades including Zhao Ziyang and Wan Li have emphasized problems in promotion of contract responsibility systems linked to output. We have but one goal in advocating adoption of

contract responsibility systems linked to output, and that is to give genuine expression to the principle of distributions according to work for full arousal of the enthusiasm of staff and workers, and to create wealth for the country. As for the matter of bonuses, how to embody the principle of distributions according to work and break iron rice bowls and egalitarianism are problems that must be solved. The great changes that have taken place in the rural situation within a period of 2 years are also achieved mainly through the practice of contract responsibility systems, and the breaking of iron rice bowls and egalitarianism. In the initiation of a new situation in water conservancy, I believe this is a breakthrough point. Naturally we oppose the concocting of pretexts at any time for arbitrary issuance of bonuses. However, whenever production is developed, and both national and collective earnings increased, institution of greater gains for more work benefits both the state and the collective and helps improve the livelihood of staff and workers, and is completely in keeping with the reiterated spirit of the 12th Party Congress and the Central Committee. Naturally, simultaneous with promotion of contract responsibility systems linked to output, a strengthening of ideological and political work, the carrying out of communist indoctrination, and the carrying forward of a spirit of contributing oneself to efforts to realize the four modernizations is necessary. In capital construction, we should promote the experiences with economic responsibility systems at the No 5 water conservancy site in Heilongjiang Province, and at the water conservancy engineering project in Linfen Prefecture, Shanxi Province. The projects contract there over a period of several years shortened work time, lowered costs, produced good quality, and both the labor productivity rate for all personnel and the profits surrendered increased year by year. Incomes of staff and workers also increased year by year. In management of projects, the experiences of units in places such as Wujin County in Jiangsu Province should be promoted. For several years, while assuring project safety and producing project benefits, the Wujin County water conservancy system made full use of the water and soil resources, the mechanical equipment, and technical forces within jurisdiction of the project, adapting general methods to specific situation to employ them in a comprehensive way. In 1981, gross income for the county's water conservancy system reached more than 16 million yuan, and profits were more than 2 million yuan. Results were outstanding in promoting project management, in building a sound management organization, in establishing a permanent staff of employees, in accumulating funds for development of water conservancy, in increasing national income, in increasing material wealth for society, in improving the standard of living of staff and workers, in increasing employment, in beautifying the environment, and in building the two civilizations. One can say that water conservancy manage-

ment work has begun to blaze a new trail suited to China's national circumstances and to China's special conditions. A great deal can be said about water conservancy project management units' carrying out of integrated operations and expanding sources of wealth. So long as we continue to emancipate our thinking, strive to open up opportunities, and seek genuine results, prospects will be very bright for water conservancy project management units.

There is yet another problem, namely intensification of scientific and technical work and good performance in technical training to upgrade the water conservancy corps' quality and technical levels. Scientific and technical forces must be mobilized and organized for a combined assault on major projects, and for diligent spread and use of the the results of scientific research. Here too is a problem in economic policy requiring study and solution. Water conservancy departments at all levels should diligently study the issue of how to make leadership teams revolutionary, younger, specialized, and knowledgeable. They should courageously recruit into leadership teams some middle age and young technical cadres who possess both ability and political integrity. Leading cadres that have practical experience but fairly low cultural and technical levels should be trained in groups over a period of time in technical specialties. Water conservancy staff and workers should also be given various kinds of cultural and technical training.

How water conservancy work will meet the needs of the two double increases, will assure water supplies and safety for development of the national economy is an extraordinarily glorious and arduous historical mission. In order to carry into effect the spirit of the 12th Party Congress and the Fifth Session of the Fifth National People's Congress and to initiate a new situation in water conservancy work, the Ministry of Water Conservancy and Power will convene a national water conservancy conference during April and May for specialized discussions. The above is simply my own personal views provided for everyone to discuss. It is hoped that every water conservancy work will suggest ways and means and offer valuable views on initiating a new situation in water conservancy work.

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STATE FARMS SHOW PROFIT FOR 4 STRAIGHT YEARS

Beijing ZHONGGUO NONGMIN BAO in Chinese 25 Jan 83 p 1

[Article: "National State Farm and Land Reclamation System Shows Profit For 4 Consecutive Years. 1982 Gross Output Value of Industry and Agriculture Break 10 Billion Yuan Mark In an 11 Percent Increase Over Previous Year. Profits Reach More Than 700 Million Yuan For All Time High"]

[Text] Since first turning losses into profits in 1979, the national State Farm and Land Reclamation System has made a profit for 4 years in a row to the tune of 2 billion yuan. Today, the state farm and land reclamation system in 26 provinces, municipalities, and autonomous regions shows a profit on operations.

In 1982, the national state farm and land reclamation system produced 13.16 billion jin of grain, and reaped bumper harvests of cotton, oil-bearing crops, tea, and rubber. Gross output value of its industry and agriculture broke the 10.79 million yuan mark, an 11 percent increase over 1981. A profit of 750 million yuan was realized for an all-time high.

Up until 1978, state farms showed losses year after year as a result of undiversified operations and muddled management. In order to help state farm and land reclamation enterprises develop, the state adopted a system of sole responsibility for financial matters, and stipulated that state farms need not pay profits to the state until 1985. On this basis, the state farm and land reclamation system got busy from top to bottom to improve administration and management. Beginning in 1979, state farms everywhere instituted production responsibility systems that emphasized "contracting, fixed quotas, and bonuses." As a result of the summarization of experiences, cadres at all levels of the state farm and land reclamation system further emancipated their thinking in 1982, with the result that production responsibility systems saw new development. Diverse forms of responsibility systems such as specialized contracting, fluctuating wages, contracting output to individual workers, linking output to the calculation of compensation, and large scale contracting of sole

responsibility for task completion were promoted on state farms. This effectively smashed the "iron rice bowls," with the result that some farms that had long shown losses began to turn their loss situations around. In 1982, all state farm in the Guangxi Autonomous Region instituted a production responsibility system linking calculation of compensation to output. In Jiangsu Province, 85 percent of production teams on state farms instituted responsibility systems linking output to individual workers, and all farms increased earnings and profits. Profits for the province's state farm and agricultural system as a whole were more than 80 million yuan, an all-time record.

The national state farm and land reclamation system also concentrated forces for readjustment of the management structure. Simultaneous with increase in grain output was an expansion of economic diversification, and the operation of processing industries and businesses, farms carrying out integrated farming, industrial, and business activities. As of the end of 1982, more than 1,200 state farms were running integrated farming, industrial, and business enterprises for production, processing, and sales. This marked the beginning of a change in the farms undiversified operations, and it promoted increased output, increased earnings, and increase in economic effectiveness. In the course of 4 years, state farm and land reclamation industrial output value averaged an annual 6.9 percent increase, and agricultural output value averaged an annual 5.8 percent increase. The gross output value of industry and agriculture combined averaged a 6.3 percent annual rate of increase. As a result of 2 years of energetic development of agricultural sideline product processing, state farms in Zhejiang Province showed a 16.2 percent increase in gross industrial output value between 1981 and 1982.

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STATE COUNCIL REGULATIONS ON PEASANT MARKET TRADE ISSUED

Beijing ZHONGGUO NONGMIN BAO in Chinese 6 Feb 83 p 1

[Article: "Major Reform of Grain Work. State Council Office Issues Notice on Multilevel Joint Management Following Fulfillment of State Procurement Grain and Oil Quotas"]

[Text] The State Council Office recently circulated throughout the country Ministry of Commerce notice, "Trial Regulations on Various Problems in Carrying Out Multilevel Joint Management Following Fulfillment of State Procurement Grain and Oil Quotas."

The notice pointed out the following: Institution of multilevel joint management following fulfillment of state procurement grain and oil quotas constitutes a major reform in grain work that will play an important role in keeping open flow channels, promote development of agricultural production, and enliven city and rural markets. People's governments and departments concerned at all levels should go deep into the realities of life, understand new circumstances, solve new problems, summarize new experiences, and do a good job of grain work. The State Council agrees with this document and asks all units concerned to study it and put it into effect. "Trial Regulations on Various Problems in Carrying Out Multilevel Joint Management Following Fulfillment of State Oil and Grain Procurement Quotas" was drafted not long ago following study and discussion by a Ministry of Commerce convened conference of Commerce Department (and Bureau) directors from individual provinces, municipalities, and autonomous regions. Its major provisions are as follows:

1. Grain is the commodity of first importance to the national economy and the people's livelihood, requiring pursuit of a program of taking the planned economy as the key link, market regulation being supplementary, adherence to a policy of centralized procurement and centralized marketing, and maintenance of the principles of concurrent concern for the interests of the country, collectives, and individuals, and of bumper harvests making up for lean harvests. National grain procurement quotas (including state procurement of individual varieties of grain and excess procurement quotas) are in the nature of directed plans, the fulfillment of which must be assured. Fulfillment of state

procurement quotas and excess procurement quotas is a duty that peasants must bend every effort to carry out.

When making direct settlement and payment for grain that peasants have sold the state, grain departments are to make no deductions of funds on behalf of anyone. Collective withholdings that peasants are required to pay are to be actively paid. If there is unanimous agreement by those concerned, grain departments may also accept such withholdings from prices to be paid.

2. For graining remaining following peasant fulfillment of state procurement and excess procurement quotas, multilevel joint management is permitted. Grain departments are to carry out procurement and marketing at negotiated prices, and participate in market regulation. Supply and marketing cooperatives and other rural cooperative business organizations may also buy and sell at flexible prices, and individual peasants may also engage in buying and selling. They may go into cities, leave the county, or leave the province. Multilevel joint management and transportation of grain outside counties and provinces for sale is to be approved at the county level following fulfillment of state procurement and excess procurement quotas. Since circumstances differ from place to place, provinces, municipalities, and autonomous regions may make additional regulations.

Existing regulations providing for centralized grain department dealings in procurement and marketing of grain at negotiated prices, and regulations requiring provincial Grain Department (or Bureau) approval for movement from one province to another of negotiated price grain, as well as regulations setting limitations on amounts of grain travelers may carry or that may be mailed have been abolished. All jurisdictions are to examine conscientiously all existing regulations, and any that do not conform to new policy requirements are to be changed.

3. Following institution of multilevel joint management, industrial and commercial trades that use grain as a raw material may purchase some grain outside of state plan supplies for processing into finished products to be offered for sale. The "four workshops" [oilpressing workshops, flour mills, ricehulling mills, and cottonginning mills] in rural areas as well as food and beverage industries may buy grain for processing into finished products to be offered for sale in addition to importing materials from elsewhere for processing. Government organizations, military units, officials groups, schools, industrial and mining enterprises, and entrepreneurial units may buy grain for their own needs, but they may not traffic in grain. Purchases of grain by the aforementioned units require no approval.

4. Stateowned grain businesses are major channels in multilevel joint management. They should get control of more commodity grain through purchases at negotiated prices in an effort to accomplish the mission of making it possible for the state to make grain purchases at parity prices rather than at negotiated prices, which is required in order to balance planned revenues and expenditures, and in order to do an active job of market regulation.

Negotiated procurement and marketing of grain is to be enlivened as direct marketing links may be formed between producing areas and marketing areas, cities and rural villages, and upper echelon companies and lower echelon companies. The Ministry of Commerce, provincial, and county companies that purchase and market grain at negotiated prices must do independent accounting and figure taxes on profits separate from dealings at parity prices. Grass-roots grain offices (or stations and companies that purchase and market at negotiated prices have a purchasing agent and marketing agent relationship, and fair compensation must be given for acting as a purchasing and marketing agent so as to stir enthusiasm for the task. Separate regulations will be issued on methods of distributing profits from transactions at negotiated prices.

5. Supply and marketing cooperative transactions in negotiated price grain may supplement grain requirements of grassroots commune food and beverage, nonstaple food, and pastry businesses, and may be shipped for sale. Insofar as needs and capabilities permit, stateowned grain departments and supply and marketing cooperatives may mutually ship negotiated price grain following discussion and agreement.

6. The price of grain bought and sold at negotiated prices should follow the market, rising and following, prices being arrived at on the basis of quality. In order to safeguard production of major grain varieties, when grain departments purchase wheat, rice, and corn at negotiated prices, all grain that meets national quality standards is to have a negotiated price that is no less than the excess procurement price.

7. After institution of multilevel joint management plans for transporting grain are to be placed directly by units handling the grain with communications and transportation departments. The regulation requiring the channeling to grain departments for their examination and approval of all requests to ship negotiated price grain have been cancelled. Communications and transportation departments should make overall arrangements for the transportation of multilevel joint management grain, after first making sure to transport state plan grain.

8. Grain used in certain ways may be supplied through multilevel channels, and state grain marketing, particularly rural marketing, may be cut back in certain cases, sometimes being changed to loan marketing or to negotiated marketing. Accompanying development of various kinds of specialized households, particularly households specializing in the raising of livestock, an increase in demand for grain and livestock feed has taken place that has to be solved through diverse channels. Grain departments should actively organize production and supply of negotiated price blended (or mixed) livestock feed. Award sale grain and award sale blended (or mixed) livestock feed will continue to be supplied at prices set by the state.

9. Multilevel joint management of edible vegetable oil, fats, and oils should follow the foregoing principle; however, for the time being there should be no conversion of negotiated prices to parity prices. Varieties for which the state has set no unified procurement quotas may be handled under multilevel joint management throughout the year. Following fulfillment of unified procurement quotas for rapeseed, procurement will be done by grain departments with no payment of premium prices. All channels may follow the market to purchase and market rapeseed at fluctuating prices.

10. Grain departments are to take the initiative, in concert with industrial and commercial administrative departments, to manage grain and edible oil markets. They should understand the market situation at all times, study changes in supply and demand, make sure that prices dovetail with those in adjacent areas, and permit no raising of prices or pre-emptive buying. When country fair market grain prices inflate, they should organize sales at negotiated prices to bring prices down.

Experiences with the foregoing regulations are to be summarized through practice for their gradual perfection.

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4007/96

SUPPLYING AGRICULTURAL MEANS OF PRODUCTION DISCUSSED

Beijing JINGJI RIBAO in Chinese 4 Feb 83 p 1

[Article: "How Can a Good Job of Supplying Means of Production Be Done Under New Circumstances? Responsible Person at Ministry of Commerce Replies To Reporter's Various Questions"]

[Text] Today is the first day of the lunar new year, and soon spring plowing and production will unfold continuously from south to north. What is the status this year as regards supply of the agricultural means of production throughout the country? Will it be able to meet needs for expansion of agricultural production? Recently a correspondent from this newspaper interviewed a responsible person at the Ministry of Commerce on the foregoing questions, the replies to which are provided below.

Question: What is the supply and demand situation for the means of agricultural production this year? What special features characterize agricultural means of production markets?

Answer: This year the overall situation in agricultural means of production is good. The supply of major products has increased over last year, and some items such as plastic used in farming and farm pesticide machines have increased considerably. State plan calls for commercial and supply and marketing departments to retail a total of 21.8 billion yuan worth of the means of production nationwide during 1983. This is a 9 percent increase over 1982 plan. This includes planned sale of 69 million tons (standard tons) of chemical fertilizer, 15 percent more than the 1982 plan; planned sale of 5 million pesticide machines, 30.4 percent more than 1982 plan; planned sale of 250,000 tons of plastic used in farming (including 80,000 tons of plastic mulch), 31.5 percent more than 1982 plan; planned sale of 450 million small and medium size farm implements, 6.6 percent more than 1982 plan; and planned sale of 250,000 head of plow oxen, the same number as in 1982 plan.

Though supplies of the agricultural means of production have increased this year, survey shows an even greater case in

quantities peasants need. Therefore, supply cannot completely satisfy requirements, and this will become a main characteristic of this year's agricultural means of production markets. Requirements are particularly great for things such as superior quality fertilizer, pesticides of high effectiveness and low residual toxicity, polyethylene plastic used in farming, wooden farm tools, oxen and donkeys. Farm means of production supply departments at all levels must size up the situation clearly and take effective action in an effort to reduce the gap between supply and demand so that their work meets requirements for expansion of agricultural production to the maximum extent possible.

Question: What actions are being readied to increase sources of supply and do a good job of supplying the means of production?

Answer: In order to shorten the gap between supply and demand for agricultural means of production, means of agricultural production supply departments at all levels are preparing to act to promote and guide production, doing their utmost to increase the sources of supply of the means of agricultural production. Take chemical fertilizer, for example. Right now quite a few chemical fertilizer plants have excess production capacity. All that is required is help in solving some real problems in raw materials and power in order to put their potential to use. Then it would be possible to increase the amount of chemical fertilizer by quite a bit. The work that Jiangsu Province did last year in this regard has received great attention from party and government leaders, and departments concerned have given vigorous support, increasing local sources of supply by several hundred thousand tons within a year. Were the country as a whole able to tap such a potential, that would amount to an appreciable figure.

With regard to supplies for sale, we have notified means of agricultural production departments at all levels that they must distribute them fairly, and do a good job of providing supplies. For all products directed to be produced by plan, particularly some goods in extremely great demand, agricultural means of production departments at all levels should strictly carry out national policies and set plans, maintain quality and quantity, and get every last bit of them into the hands of the peasants. Unhealthy tendencies in the supply of goods must be resolutely corrected and criminal economic activities attacked to guarantee the interests of the peasants. For goods under market regulation, under the guidance of state plan, multiple channels should be used and diverse methods employed to satisfy peasant needs in many regards.

Question: During the busy seasons in farming last year, in many

places peasants had to line up and wait to buy the means of production. What action has been planned to solve this problem this year?

Answer: There will be active readjustment of network points for the supply of agricultural means of production, more personnel added to make sales, goods supplied across jurisdictional lines, goods unloaded along delivery routes, going from place to place in the countryside to write invoices during the busy seasons, delivery of goods to predetermined sites, setting up of temporary supply points, and breaking down of quantities for retail sales in order to solve the problem of peasants lining up to buy.

Upper level wholesale departments must actively support grassroots supply and marketing cooperatives, making it convenient in every way possible for grassroots cooperatives to expand their purchase and supply work.

Question: Following institution of agricultural production responsibility systems, the peasants have paid attention to scientific farming and urgently need technical services. Why is the thinking in this regard?

Answer: We have already asked supply and marketing cooperatives everywhere to build up, augment, and steadily improve the level of work and the quality of service rendered by various subordinate technical service organizations that support agriculture. They are to summarize and promote good methods and good experiences that help popularize scientific techniques by doing things such as printing and distributing instructions and drawings on how to use items, making photographic slides, making wired broadcasts, putting up reports on blackboards, going into the countryside to stay at points to conduct experiments, traveling around the countryside publicizing and promoting, and setting up sites at retail outlets to provide publicity and guidance at the time items are sold. Right now it is necessary to focus service on the scientific use of fertilizer, safe and sane use of pesticides, and taking care of plastic (particularly plastic mulch) used in farming) so that these materials used in farming will play a greater role in production.

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NATIONAL BUREAU DIRECTOR DISCUSSES CONTRACT SYSTEM PROBLEMS

Beijing ZHONGGUO NONGMIN BAO in Chinese 8 Feb 83 p 1

[Article: "On Some Problems That Have Cropped Up in the Agricultural Contract System. National Industry and Commerce Administration Director, Comrade Ren Zhonglin [0117 0948 2651], Issues Statement to RENMIN RIBAO, JINGJI RIBAO, and ZHONGGUO NONGMIN BAO"]

[Text] Some of the masses in Hunan, Hubei, Henan, Hebei, Zhejiang, Anhui, and Shanxi provinces, and in Beijing have recently reported that in the process of carrying out agricultural contract responsibility systems, upon seeing that the income of contract households increased, some communes, brigades, departments, and units tore up contracts on various pretexts, and arbitrarily confiscated benefits they should have received. The masses are very angered by this. In his connection, National Industry and Commerce Administration director, Comrade Ren Zhonglin, has issued a statement to correspondents from RENMIN RIBAO, JINGJI RIBAO, ZHONGGUO NONGMIN BAO, and from Xinhua News Agency.

Comrade Ren Zhonglin said that the farflung rural villages of the country have now universally instituted various forms of agricultural production responsibility systems of which the contract responsibility system linked to output has increasingly become the dominant form. This form carries out the principle of correlating centralization and decentralization, thereby bringing into play simultaneously both the superiority of collectives and individual enthusiasm for a burgeoning of the rural economy. Agricultural production responsibility systems are put into effect through contract agreements. These contract agreements are major links in consolidating and perfecting agricultural production responsibility systems. They are a fine method for stirring peasant enthusiasm for production and changing the eating out of a "large common pot," and they are an effective way in which to implement state plans and to handle correctly the interests of the country, the collective, and individuals. The contract system is a legal system. Signing and execution of agreements is re-

stricted by laws, which is to say that the rights agreements stipulate are protected by law; the duties agreements stipulate are subject to legal supervision; and when agreements are violated, there is responsibility before the law. According to the provisions of "Economic Agreements Laws of the Chinese People's Republic," conclusion of economic agreements must be in accordance with national laws, in keeping with the requirements of national policies and programs, and be carried out on the principles of equality and mutual benefit, unanimity through consultation, and equal value. Neither party may force its will on the other, and no unit or individual may illegally interfere. Economy agreements concluded according to the law have the effect of law. Both parties must carry out to the full the obligations stipulated in agreements, and neither party may take it upon himself to alter or abolish the agreement. This applies fully to agricultural contract agreements.

Comrade Ren Zhonglin noted that following the signing of contract agreements with commune members and specialized households, rural commune and brigades in some places have not looked at how they have activated workers and created social wealth, but rather have looked only at how commune members' and specialized households' income has increased. Envious, they have arbitrarily cancelled the agreements. Some have not only not honored the benefits that should have been obtained according to the agreements, but have also labeled contractors "capitalists," and "restorers of capitalism," and made them "targets for attack." In some prefectures and counties, leaders have taken a laissez-faire attitude toward these problems, or have even lent support. Such actions directly contravene Central Committee rural economic policies and national laws. They seriously stifle peasant enthusiasm for production, and impair the consolidation and development of agricultural production responsibility systems. They show that as a result of erroneous "leftist influence," some comrades still do not appreciate that under production contract responsibility systems, allowing some peasants to become wealthy first is the right road for becoming prosperous through labor, and they do not understand that certain differences in the degree of prosperity and the speed of becoming prosperous is an entirely normal phenomenon in keeping with the laws of economic development. This also shows that some comrades flout laws and discipline and are seriously affected with a work style of coercion and commandism. This requires an intensification of rural ideological and political work for further extirpation of "leftist" influence, with energetic propagandizing and study of laws, including economic agreement laws, and strengthening of education in the legal system.

Comrade Ren Zhonglin pointed out that the solemnity of agreements, maintaining trustworthiness, and enforcement of discipline

on agreements are important aspects in strengthening the socialist system. The legal rights and interests of parties to agreements must be protected by the law, and no unit or individual may transgress them. Violation of an agreement by one party that causes losses for another requires that the violator bear responsibility for restitution. In cases of disputes about agreements, both parties to the agreement are to consult together promptly to find solution, or else call upon leaders at a higher level to mediate. When consultation or mediation fail, either party may request arbitration from the local industry and commerce administration, or may file suit directly in a People's Court. In order to protect the legal rights and interests of parties to agreements, maintain social and economic order, insure implementation of national plans, and promote development of the rural economy, industry and commerce administration organizations in all jurisdictions are to strengthen supervision and inspection of agricultural contract agreements in accordance with provisions of the "Economic Agreements Law of the Chinese People's Republic," clarify circumstances and severely deal with incidents of unwarranted interference and arbitrary scrapping of agreements that violate the law.

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'CHINA DAILY' VIEWS PATH BEING TAKEN BY PEASANTS

HK190226 Beijing CHINA DAILY in English 19 Mar 83 p 4

["Opinion" column by CHINA DAILY commentator: "Unwarranted Worries"]

[Text] China is having a great boom in agriculture, thanks largely to the introduction of the household contract system of responsibility. It is there for everyone to see. The peasants are producing more from their land, and not only from their land. Their productivity has increased, they have more marketable commodities and higher incomes, and are, in general, much better off.

While most Chinese and their friends abroad are happy to see the welcome changes and their political as well as economic significance, others have, for various reasons, expressed apprehensions about whether the Chinese peasants are travelling a right path to socialism. Perhaps now is the time for us to make some overall observations.

Socialist agriculture is characterized by the collective ownership of the essential means of production and the principle of distribution "from each according to his ability, to each according to his work." While land and farm machinery are contracted out to individual peasant households, the collectives--communes and production teams--still own all the land, machinery of some 200 million horsepower, and the vast system of water conservancy facilities.

The peasant households can manage the land, orchards, woods, fish ponds, farm tools and whatnot according to contracts and in the best way they see, but they are forbidden by law to sell or lease them, or lay them waste, much less use them to exploit others' labour.

Evidence

The general application of the household contract system of responsibility is in no way contradictory to the socialist ownership, and has proved to be a very good vehicle for putting into practice the above-mentioned principle of distribution. What other evidence is needed than the fact that the peasants are working harder, contributing more to society, and are happier?

One may ask: What about the people's commune which has been so much extolled as "grander and more collective in nature"?

There is nothing wrong with the basic concept of agricultural collectivization. On the contrary, it tripled the grain output in 30 years, thus having basically solved China's food problem and helped lay the foundation for the country's industrialization.

On the other hand, looking back, one could see that the process of collectivization should not have been so rushed in the mid-1950s without corresponding mechanization, especially without finding a way to spur individual incentive in the collectives.

The communes, set up as grassroots organs of the state as well as economic establishments, had the additional problem of administrative intervention in production management. In 20 years, the communes failed to give their members much more than a bare subsistence in 80 per cent of the five million odd production teams.

Family Role

It was no wonder, then, that commune members in various parts of the country tried to experiment some kinds of household responsibility system on their own and often with the support of local leading cadres. It has long been clear to the discerning that the family role in agriculture simply could not be denied at a time when farming techniques were still backward. The egalitarian "communal pot" has been at once the cause and the reflection of communes' poverty.

The separation of its administrative functions from production management does not mean the beginning of gradual expiration of the commune, as has been suggested in sections of the foreign press. In addition to its role as a party contracting out land to peasant households, the commune, as a simple economic establishment, manages irrigation works, farm machinery and other assets in processing and manufacturing enterprises, totalling some 100 billion yuan. It also provides for its members scientific and technical assistance, medical care and, not the least important, social security.

It has been reported that, with the responsibility system, some peasants are getting incomes as much as six times those of some others. Will that produce a polarization which it is the purpose of collectivization to prevent? The answer is: No. These peasants have become richer because of better work and management and not at the expense of their neighbours. Besides, the state as well as the collective will provide help to the needy in the forms of tax reduction or exemption, governmental loans, etc. to see that they get an equal opportunity to get better off.

China's peasantry, as the largest social group in the country, has finally found a way that combines the rights, duties and benefits of themselves as

masters of the collectives so that the interests of the state, the collective as well as their own are all taken into account. The fact that already over 100 million peasants have been able to leave the land and are now engaged in manufacture, commerce and service trades amply demonstrates increased productivity, which alone can modernize China's agriculture.

CSO: 4020/63

'GUANGMING RIBAO' ON CHANGES IN RURAL DISTRIBUTION

HK141452 Beijing GUANGMING RIBAO in Chinese 27 Feb 83 p 3

[Article by Sun Qiyu [1327 0796 0147]: "New Changes in the Form of Rural Distribution at Present"]

[Text] Abstract: The work point system is a feature of the system of pay according to labor in collective economy. The basic feature of distribution under sole responsibility for a particular job is the system of distribution according to income; the income of a contract household depends not only on the factor of labor, but also on the factor of the means of production. There is also the system of dividend according to shares in an associated unit. The existence of various forms of distribution, such as the system of pay according to labor, the system of distribution according to income and the system of dividend according to shares, is compatible with the present economic conditions in our country.

At present, in our country's rural production brigades, 78.7 percent of households have practiced the system of responsibility linked to output (mainly in the form of fixing farm output quotas for each household). At the same time, various forms of cooperative economy have also been rapidly developing. The practice of sole responsibility and the emergence of various forms of associations have brought about new changes in the form of distribution. It is certainly of great significance to generalize and sum up these changes on a theoretical basis.

In comparison with the work point system originally implemented in collective economy, one of the characteristics in terms of distribution in the sole responsibility system is that the system of pay according to labor has been changed to the system of distribution according to income.

The work point system is a feature of the system of pay according to labor. The commune members work for the collective and the collective awards them work points. The more they work, the more work points they will get, resulting in "more pay for more work." In this respect, however, the

commune members may very well know exactly what work points they have received, but they do not know the exact value of the work points and thus have no idea of what their annual income will be. Only when the distributable income is divided by the total work points at the end of the production process can the value of the work points be figured out and the individual remuneration of labor be correspondingly calculated. The figure of distributable income can be obtained by deducting from the total income of the production brigade the portion submitted to the state, the production cost of the brigade and the public reserves. As a matter of fact, the portion of public reserves involves great flexibility. With regard to the portion submitted to the state, the agricultural tax is fixed. Although it is said that the state purchasing quota is effective for several years, yet it often practices "observing policy in spring and demanding noble spirit in fall," and "whipping the willing cow," and an increase of production means an increase of quota. The public reserves of the production brigade are also in direct proportion to the increase in production. As for the wastes in the course of production and the extra expenses caused by illicit activities on the part of some cadres, all this can be claimed in the name of production costs. After all these deductions, the income amount that can be distributed will come out to be very limited. This is an important cause that accounts for the fact that the work point system is not very beneficial to giving full play to the initiative of the peasants.

Sole responsibility eliminates the link of recording work points, and "works in a straightforward way." Its special feature is the implementation of distribution according to income, that is, "submitting enough quota amount to the state, keeping enough reserves for the collective, and the remaining portion all belongs to the individual." Under the conditions of sole responsibility, the output is fixed before the beginning of production, and the amount of state quota and public reserves is also prefixed. In this way, the income of the contract household is also fixed. The process of distribution is formulated together with the contract. In normal harvest years, at the end of the production process, once the contract is well fulfilled, the portion that exceeds the stipulated quotas will belong to the individual member himself. Obviously, the relationship of distribution here expresses itself as "more gains for higher production." The higher the output, the more the income.

One is "more pay for more work," and the other is "more gains for higher production." Here lies the difference between the two forms of distribution. "More gains for higher production" means that the output depends not only on labor, but also on the means of production; and labor itself comprises not only exerting efforts, but also the problem of good operations. It is precisely because the means of production is a factor that determines the output that the contract regarding the means of production must be rational. The contract for land should be in proper proportion to the amount of labor or manpower. Farm implements and animals should be evaluated so as to conserve their value if they are allocated to households for use. This embodies the relationship of equality in terms of the utilization of the means of production within a collective body. Therefore, we say the nature of sole responsibility is socialist. However, after the means of

production, such as land, is rationally contracted, any additional investment will bring about a difference in the output. Generally speaking, when the potential in production is not yet exhausted, additional investment will result in increased output. Furthermore, the output, after deduction to fulfill the state quota and the collective reserves, amounts to the income of the individual contracted. It can be seen that the income of the contracted household depends not only on the factor of labor results, but also on the factor of the means of production. Their income is not only the rewards of labor, but also the "rewards" of the means of production.

On the other hand, under the conditions of the work point system, the distributable income of the production brigade is distributed to the commune members as funds for consumption. Of the income acquired by the peasants, the major portion is spent on consumptive items, and very little is used for production purposes. After the implementation of the household responsibility system, the income of the peasants is used not only as funds for consumption, but also as funds for production. The cost in agricultural production and the fixed capital investment are mainly derived from the income of the contract household itself. Of course, differences in conditions exist in different regions. Take, for example, the conditions in the region of Chu County in Anhui Province. The expenditure for production accounts for about 70 percent and the expenditure for consumption accounts for about 30 percent. Under the present circumstances in which the state cannot invest more money in agriculture, it is really a very good thing that the peasants practice strict economy so that their income can be used for productive accumulation. Judging from the trend of development, the peasants' investment in production will still be increased. If the system of pay according to labor could be regarded as the funds for consumption acquired by peasants, then it is surely more than that now that the household responsibility system has been put into practice. Now, the concept of pay according to labor cannot fully reflect the nature of income of the commune members.

Among those communes and brigades practicing the household responsibility system, the cases are also different with regard to different collectives. Some collective units devote a larger portion to unified operation and some a smaller portion. In those communes and brigades where the income of diversified operations constitutes a larger share with a more complicated economic relationship and modes of labor, in order to realize equal exchange of labor and to balance the income of persons in various trades, a common criterion of calculation has to be introduced, and the work point system remains useful in this case. Therefore, after the implementation of the household responsibility system, the system of distribution practiced in the collective economy is, in effect, a combination of the system of pay according to labor and the system of distribution according to income. In those communes and brigades where unified operations prevail, the system of pay according to labor will be the main channel of distribution, and in those communes and brigades where scattered operations prevail, the system of distribution according to income will be the main channel. But even in the former case, the income from work points is not only used as funds for consumption, but also used as expenditure for production.

With the emergence of various kinds of associated units, the commune members invest their money as shares in the units where they can get their dividends based on the amount of shares as well as their remuneration for labor. "Dividends based on shares"--does this not mean capitalism? Superficially, it is not quite different from capitalist incorporation, but in effect they are essentially different. Capitalist incorporation is incorporated by capitalists, and the distribution of its profits is being conducted among the capitalists. The employed workers can only earn the wages which amount to the value of their labor. What the capitalists gain from their shares is the surplus value created by the employed, and it is an income from exploitation. But in the socialist associated units, a part of the income is distributed according to labor results, a part belongs to the units as public reserves and only a part is distributed as dividends based on shares. Even the last part does not fall into the category of the relationship of exploitation. In this case, the dividends obtained through investing capital in the associated units are equivalent in nature to the interest obtained through depositing capital in the bank.

For a long time, we have regarded socialist distribution as having only one form, that is, the system of pay according to labor which shows itself as the work point system in the rural collective economy. The practice of household responsibility has broken down people's ideological conventions and has made us realize that aside from the system of pay according to labor, the forms of socialist distribution should also include the system of distribution according to income and the system of dividends according to shares. In this case, is there any contradiction between the existence of multiple forms of distribution and the theory of socialist distribution advocated by Marxism-Leninism?

According to the principle of Marxism-Leninism, socialist distribution means distribution according to work. But the principle regarding distribution according to work expounded by Marx and Lenin is based on the condition that socialism has developed highly and that unified ownership by the whole people has been realized throughout the whole society. In the past, we acknowledged that the existence of two kinds of ownership systems would bring about a difference in distribution and that differential income would result between different kinds of collective economy because of the difference in ownership of the amount of the means of production and in natural conditions. But we did not acknowledge that within a collective the means of production was a factor in distribution, and no dividends based on shares were permitted, and there was the prevailing requirement that distribution according to work should be stringently observed. All this happened because the level of development of our productive force was overestimated.

There should be a rather long period of time for the realization of distribution according to work, and it should be gradually realized with the development of production. Distribution according to work consists of two aspects: One is that no products will be granted to those who do not work; and the other is equal products for equal work. The former has been implemented on the exploiters, who can no longer appropriate others' fruits of

labor without remuneration through their ownership of the means of production. However, up to the present, full employment has not yet been realized in our country, and it is still impossible for us to provide equal labor conditions for everyone who possesses the capability to work. Thus, the requirement that no products for those who do not work has not been met throughout the whole society. Utilizing the surplus capital in the rural areas to form different types of associations and allowing dividends to be distributed based on shares can absorb more surplus labor force, and this measure means precisely to create the requisite conditions for the full realization of the requirement that no products for those who do not work.

As for equal products for equal work, it can only be partly realized under the present circumstances. Judging from the level of development of our productive force, the condition that labor is the only criterion for distribution is far from being satisfied. The result of forced implementation will certainly be egalitarianism. Under the work point system, only about one-quarter of the distributed material is in the form of currency, and the rest is in the form of material articles. With regard to the material articles, except for grain, which is distributed according to man-labor in certain brigades in certain times, other articles such as oil, sugar, vegetables, fruits, tobacco, tea, straw and others are distributed according to the number of persons, and in many places straw is distributed free. This is the reason why deficit households exist universally. Therefore, the work point system seems to practice equal products for equal work in form, but in essence it is egalitarianism, for the most part based on the number of persons. After the implementation of the sole responsibility system, because of the acknowledgement of the concept that the means of production is a factor for distribution and of the practice of distribution according to income, the problem of a universal existence of deficit households has been rather thoroughly solved. In the distribution process, the difference between currency remuneration and material remuneration does not exist on the whole, and the problem of distribution according to the number of persons has been solved rather satisfactorily. All this has created favorable conditions for the overall realization of the principle of distribution according to work, that is, equal products for equal work. From this point of view, the system of distribution according to income is not a retrogression but an advance, a great step forward.

Marx once said that under the conditions of socialism, "aside from one's own labor, no one can provide any other thing. On the other hand, aside from one's personal material for consumption, nothing should become a personal property." ("Selected Works of Marx and Engels," Vol 3, p 11) Under the current economic conditions of our country, we still cannot fully carry the above points into effect. What we can do now is to make it impossible for the means of production to be used as a means of exploitation to appropriate others' labor results. However, it should be permitted that the means of production be counted as a factor for distribution. In other words, in conjunction with distribution according to work, the systems of distribution according to income and dividends according to shares should be implemented

simultaneously. The means of production as a factor for distribution is different in principle from the means of production as a means of exploitation. For a long time, we have equated these two things--but they should not be equated. This is the revelation given us theoretically through the practice of household responsibility by the broad masses.

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DU RUNSHENG ON RURAL COOPERATIVE ECONOMY

HK160951 Beijing RENMIN RIBAO in Chinese 7 Mar 83 pp 2, 5

["Speech" by Du Runsheng [2629 3387 3932]: "The Contracting System Which Links Remuneration With Output and New Development of Cooperative Economy in Rural Areas"]

[Text] In our rural areas, the restructuring of the economy which centers on the implementation of the production responsibility system has been going on for more than 4 years. Practice shows that the system of contracted responsibilities with payment linked to output is most adaptable and can produce good economic results. The all-round contract system which takes households as the contracting unit is especially popular among the peasants. Some comrades had doubts about this. They wondered whether this system conforms with the socialist principle and the goal of modernizing agriculture. Practical experience gained in the past few years has made it possible for us to explain these questions more clearly.

1. We Practice the Production Responsibility System Because We Want To Perfect the Cooperative Economy and Follow China's Own Road of Development

Before going any further, we want to affirm the fact that it is perfectly correct for the party to lead the peasants into socialism through the cooperative system after the working class has seized political power. This is the only way out. The socialist transformation of agriculture which started in the 1950's was basically a success. It brought about the public ownership of the basic means of production, abolished the system of exploitation, guaranteed the needs of the urban and rural population for agricultural products and helped industrial construction. These great achievements are obvious to all. However, there have been shortcomings, even mistakes in our work. Besides, a newly established social system must be improved and perfected continually. The purpose of the CPC Central Committee in introducing the system of responsibility for agricultural production after the 3d Plenary Session of the 11th CPC Central Committee was to overcome shortcomings, rectify mistakes, perfect the cooperative economy, open a socialist road suited to China's conditions and win still greater victories.

Why must we practice the cooperative system? China is a country with a large number of peasants. The peasants are allies of the working class.

They are laborers and small private owners all in one. According to the Marxist principle, in order to improve the economic status of the peasants and change the backward state of the rural economy, it is necessary to change the system of small private ownership into public ownership. However, we must never resort to compulsory means or decrees to abolish the system of small private ownership among the peasants. We can only adopt the method of gradual economic transition and must find an intermediate or transitional link. The cooperative system is a suitable link.

First, through the cooperative system, the peasants can combine their labor according to the principle of voluntary participation and mutual benefit, ease into the system of public ownership of the basic means of production, improve their economic status and avoid the bitterness of capitalist polarization.

Second, through the cooperative system, it is possible to concentrate scattered funds and, with the support of large-scale socialist industry, create new means of socialized production and build the material basis for socialist public ownership. At the same time, it will bring about the full development of the productive forces within the existing relations of production.

Third, through the cooperative system, it is possible to bring agriculture--the foundation of the national economy--within the orbit of the state-planned economy. At the same time, it will give the peasants the power to decide what they should undertake and will combine the guidance of state planning with the decisionmaking power of the peasants.

From the above three points, we can see that the cooperative system is a transitional form of economy. It serves as a link between the past and the future and is an improvement on the past. It also combines personal interests with collective interests and public good with personal well-being. Lenin said: We must find a measure which subordinates personal interests to common interests. The cooperative system can provide us with such a measure.

There are profound economic reasons for the emergence of the cooperative system. It had existed under different socioeconomic orders but never did or could have a fixed form. Its specific form was determined by specific place, time and conditions. The cooperative system first emerged in the capitalist society as economic combinations formed by small producers, a method of self-defense against the annexation process of capitalism. The utopian socialists dreamed of using this system as a means to transform the capitalist society in a peaceful way, but failed. The social reformists also used this system as the prescription for reforming the old society without avail. Later on, the associations of small property owners were taken advantage of by the bourgeoisie and became appendages of capitalism. Marx and Engels got their inspiration from this. They held that in a country with a large peasantry, the state controlled all large means of production and the major departments of production in the whole country after the proletariat had seized political power. Under this new historical

condition, the state could make use of the cooperative system to establish the socialist system in the rural areas. They put forward various tentative plans as to how the cooperative system could be made use of, but never confined people to a given form. On the contrary, they always encouraged all revolutionaries to create and explore in the course of practice and emphasized the need to act according to local conditions and adopt different forms. In his article "The Peasant Question in France and Germany," Engels not only differentiated between the conditions in France and Germany but showed the distinctions between that part of Germany east of the Elbe and the rest of the country.

It can be said that we have gone through a long process of exploration and practice in our quest to attain the desired goal of cooperative transformation, and we are still continuing to explore and practice. Let us review what we had gone through in different periods.

During the war, supply and marketing cooperatives, work exchange teams and mutual aid teams were set up in the liberated areas. They proved successful. They were special in that they did not touch on private ownership by the laboring people and only maintained cooperation in certain areas or links.

In the early 1950's, we set up elementary agricultural producers' cooperatives in the light of experiences gained in Shanxi and the northeast. We recognized private possession by the peasants and carried out combined labor and unified management on the basis of private ownership. People were given land and draft animals in the form of shares and were paid dividends. However, remuneration for labor accounted for a bigger share of a person's income. At the same time, special considerations were given to families with material difficulties. These cooperatives were acceptable to various types of peasants. At that time, they were positively appraised by the CPC Central Committee and Comrade Mao Zedong. Limited by economic conditions and the cultural level of the masses, small cooperatives could normally be run well, but the majority of the big cooperatives were not so successful. Shortly after this kind of cooperative was set up, when the number of participating peasant households only accounted for 15 percent of the total number of households, we decided to popularize them throughout the country and to turn them into advanced cooperatives within 6 months or more. Before the latter had secured their position, we quickly switched to the people's communes.

The people's communes should be evaluated separately in their early and late stages. We made "left" mistakes in the early stage. First, we wanted total socialization. We not only transferred the basic means of production to public ownership but abolished household sideline production. Second, we practiced the supply system. We negated the law of value and the exchange of commodities. Both measures were too advanced for the historical period. These, coupled with public messhalls and the transfer of labor without compensation, "communist wind," egalitarianism and indiscriminate transfer of resources, and caused production to suffer. This way of doing things could do great damage, but it did not last long. Under the

leadership of the CPC Central Committee and Comrade Mao Zedong, we quickly corrected this mistake. Starting from 1960, we switched to the new system of three-level ownership by the commune, the production brigade and the production team, with the production team as the basic accounting unit. This was of great help in stabilizing the situation in the countryside. This short-term exercise enabled us to understand that the socialist stage of "to each according to his work" could not be skipped through and that any attempt to willfully alter the relations of production without considering the state of development of the productive forces would result in losses. During the decade of turmoil, some places suffered as a result of the ultra-left policies preached by the "gang of four." However, their policies did not give rise to more widespread disasters because they were resisted by the masses and leading cadres in most places.

The advanced agricultural producers' cooperatives, which were similar to the collective farms in the Soviet Union, deserved careful study and analysis. After people's communes were organized throughout the country, we put into effect the system of "ownership at three levels with the production team as the basic accounting unit" in 1960. Structurally, "production teams as basic accounting units" corresponded to advanced cooperatives in form, but "ownership at three levels" and "the integration of government administration with commune management" were not found in the latter. The achievements of this kind of cooperative organization should be affirmed. In sum, they helped to accumulate funds, create new productive forces and train a group of competent managerial cadres. Out of a total more than 500,000 production teams, about 10 to 20 percent were successful or relatively successful and provided some very useful experience for cooperative transformation in the future. The rest were not so well run or were run poorly. Why were they not well run? The reason was that a unitary and overcentralized system was implemented. We say the system was unitary because the same mode was found in the whole country, and management and labor were too concentrated. Today, we think that this overconcentrated method will hinder the peasants in fully exercising their decisionmaking power in managing economic affairs and is not suited to the characteristics of agriculture, especially agriculture in China.

Agriculture is vitalized material production and reproduction. It is governed by natural factors (such as temperature, rainfall and soil) which are always changing and difficult to grasp. When one factor changes, other factors have to be regrouped. Therefore, they must be carefully looked after by people who have a high sense of responsibility as masters and who can adapt themselves to changing conditions. This cannot be done if the producers cannot benefit, or benefit very little, from what they produce.

The second characteristic of agriculture is that its economic benefits are manifested in the final products. Every working link in the process of production will affect the quality and quantity of the final products. However, its economic benefits are not the substance of the consolidated value of labor. Thus, it is necessary to link the interests of the producers with ultimate economic results so that they will care about the final results

and earnestly perform every link of work well. The distribution system of recording each person's work points on a daily basis implemented in the countryside in the past failed to meet this requirement.

The third characteristic of agriculture is that its principal means of production is land. This is a special means of production. Land is limited in supply, but when people's input is turned into land fertility, it can yield benefits and produce differential income for a long time. If land users pay close attention to cultivating fertility, the land will yield better and better results. Conversely, if they exploit the land and leave it at the mercy of nature, it will deteriorate. That is to say, the producers must show ample concern for their land in the long-term interests of society, and whether or not they care depends on whether or not they have stable and vital interests in their land. This factor should not be overlooked even if land is publicly owned. However, we failed to attach importance to this factor in the past.

China is a vast country with uneven economic development. A large part of the country still remains in the stage of traditional agriculture which relies on manual labor. Intensive farming is carried out because of our large population and limited arable land. Thus, a lot depends on the enthusiasm of the laborers.

From the general characteristics of agriculture and the characteristics of China's agriculture discussed above, we can draw the conclusion that our cooperative system must meet the following requirement: In making the transition from small private ownership to public ownership, we must, in addition to meeting other requirements, take great care in choosing proper forms of association between laborers and the means of production and choosing a distribution system suited to these methods in order to heighten the peasants' sense of responsibility as master and arouse the masses' enthusiasm for socialism and for developing production. This is our starting point in opening up the road of Chinese-type collectivization.

The advanced cooperatives failed to meet the above requirement. The premature application of a system which put too much emphasis on unified management and unified labor impaired both the decisionmaking power of the peasants in production management and the material interests of individuals. Malpractices such as "everybody eating from the same big pot" and egalitarianism which hindered the development of the productive forces emerged in many places.

There exists the misconception that as long as we practice the collective ownership system and simple coordinated labor, we can definitely outstrip the individual economy even without any technological improvements. Actually this is not true. Labor associations and simple coordinated labor are two different things. If we simply merge natural household economies and carry out unified labor without an appropriate system which promises more pay for more work, we will find it difficult to even maintain the labor results of intensive farming by small peasants. The productive forces will cease to grow, and even decline. Another misconception is that

the egalitarian system of distribution is more fair and is more in keeping with the socialist spirit. Contrary to this belief, egalitarian distribution is bound to result in the malpractice of "everybody eating from the same big pot." Eventually there will be new inequalities, that is, some people will be able to abuse the labor of others. In the past, many communes and brigades allotted work points without evaluating work. Equal pay for equal work was not observed and women could only earn 80 percent as much as men. Good and bad performance meant the same thing. In order to maintain a high degree of centralized management, a large number of managerial cadres was needed. Their remuneration and subsidies were allotted in the form of work points. The corrupt ones would try to register more work points for themselves. Some households received grain rations but did not pay any grain tax or did not pay the full amount. These were "households perpetually in debt" and "households which did not contribute to what they received." Moreover, all kinds of public expenses were converted into work points and deducted. They accounted for 20 to 30 percent of the total amount of work points paid out. Some of these expenses were justified, but some were not. The unjustifiable portion meant taking possession of other people's labor without compensation. This has been a long-standing contradiction among the people. In the past 20 years and more, we tried to resolve this contradiction through the rectification movement, the movement to check up on and consolidate people's communes and the "four clean-ups" movement. However, the result was minimal because we failed to suit the remedy to the case. On the other hand, the evil of "everybody eating from the same big pot" continued to reemerge as social reproduction developed. In order to eliminate the evils of this system, the peasant masses who suffered under it had, in the course of cooperative transformation in the past 20 years and more, spontaneously adopted the method of fixing output quotas for each household time and time again. They were also supported by some leading comrades. The method of "three guarantees and one reward" was carried out in some places, but had to be abandoned because it repeatedly came under erroneous criticism. Nonetheless, vital things which have objective needs must open up the way to their own growth. Inspired by the spirit of the 3d Plenary Session of the 11th CPC Central Committee, they finally reemerged and developed in a more perfect form--the system of contracted responsibilities with payment linked to output.

2. In What Ways Is the System of Contracted Responsibilities With Payment Linked to Output an Improvement on the Cooperative System?

First, it combines unified undertakings with diversified undertakings in an appropriate way. The system of contracted responsibilities with payment linked to output means contracting out public land and other production items to peasant households or groups according to mutually agreed conditions. Things which cannot be done by a single household or group are done collectively by cooperative organizations. This system combines unified management with separate management by means of contracts. It absorbs the strong points of the advanced cooperatives and rectifies its shortcomings; breaks the limitations of household economy and preserves its strong points. In this way, the superiority of public ownership and the

flexibility and initiative of the peasants can be displayed at the same time.

Second, it has specialization and association. With the development of the commodity economy, specialization in production is bound to appear. Some peasants will take up sideline undertakings or become specialized households. Division of labor in society is bound to give birth to associations, including production associations and associations in various service links before and after production. These associations may be associations with a high degree of public ownership, but they may also be associations which have nothing to do with ownership. With grassroots labor associations of different kinds of producers as the foundation, multilevel associations are developed from the bottom up both intensively and extensively. The diversified cooperative economic structure thus formed is then linked with the socialist economic structure of the whole country.

Third, it combines unified accounting with the contract system of distribution. According to the trend discussed above, the more developed is division of labor between various specialized departments within the cooperative economy, the more necessary it is to figure how we can balance the income of producers in different sectors and ensure that the principle of "more work more pay, less work less pay" is operating among members of the same unit. In addition, it is also necessary to take all factors into consideration in making plans for distribution between accumulation and consumption and between the state, the collective and the individual. This requires that we retain some degree of unified accounting in given scopes. At the same time, in order to directly show the unity of decisionmaking power, responsibility and benefits and encourage the peasants to show concern for production, the contract system of distribution is devised for all contracting units. In the words of the peasants, the contract system of distribution means: "After ensuring the state's needs (the state purchase quota) and giving a sufficient amount to the collective (the retention of common funds), the remaining portion is ours." This eliminates the trouble of assigning work tasks and evaluating and registering work points on a daily basis. "The benefit is direct, the responsibility is clearcut and the method is simple." This is the principal system of distribution in the present cooperative economy. Of course, the contract system does not always work. In such cases, other methods may be used.

It can be seen from the above that cooperative economy which combines unified management with separate management and which has the system of contracted responsibilities on the household basis as its special feature has inherited the positive achievements of the cooperative movement and negated the inherent shortcomings to make the cooperative system more perfect. The fact that it is socialist in character is beyond dispute. It is obviously wrong to question its socialist character simply by looking at the decentralized mode of labor of household contracting and its outward resemblance to the individual economy when we should look at the overall structure of the cooperative economy and its relations with the entire national economy.

3. The Nature and Role of Household Undertakings at the Present Stage

How to correctly deal with household undertakings in the course of the cooperative movement is a question of great significance. Small-scale household undertakings have a long history in our country. The feudal system in Chinese history is different from system of great manors in some countries. In China, small plots of land were leased out to peasants for cultivation under the landlord economy. These peasants were called tenant farmers. Coexisting with them were a group of land-holding peasants who owned small tracts of land. A common characteristic of these two types of peasants was that the manager and the producer came from the same family. This type of decentralized and small-scale agricultural economy constituted the foundation of feudal rule. It remained at the backward level of the natural economy for a long time. The productive forces barely developed and the peasants always lived in poverty. Overall, it had the tenacity of struggling for survival under extremely adverse conditions. In all these years, it endured endless natural and man-made disasters and exorbitant taxes and levies. It was trampled underfoot hundreds of times and managed to come back to life again.

After liberation, we put an end to this history of misery, completed the land reform and removed the shackles of feudalism. The small-peasant economy acquired the pure form of small private ownership and entered into the world of free development. However, small private ownership was by nature incompatible with the trend of agricultural modernization. Under the commodity economy, the desire to forever preserve small private ownership is merely a fantasy of small producers who want retrogression. It will either be destroyed by the capitalist economy or it will make the transition to socialism through the cooperative system under the leadership of the working class. There is no other way out. It has been determined by history that Chinese peasants must follow the latter road. However, the cooperative movement is an objective historical process. It is a process of transition from one economic form to another, a process of the gradual socialization of labor and the means of production. The length of this process is determined by many factors. It cannot be brought to an end by a single reform. In our country where economic development is uneven, a new mode of production as the cooperative system must invariably go through a prolonged and varied stage of growth since the time it emerged and developed from the original mode of production. In this process, household undertakings cannot be abolished overnight. Within a given period, it is necessary to make use of their form and potentials while reforming their substance. In this way, we can fully bring into play the large quantities of production materials scattered among different households and the traditional skills accumulated among the people over the years and arouse the initiative and creativeness of those directly involved. A principle of Marxism is that "every change in the relations of ownership is an inevitable outcome of the development of new productive forces which can no longer fit in with the old relations of ownership." An old order of production will not disappear by itself before the productive forces for which there is room in it have been fully developed. The same holds true for household undertakings.

As the experience of various socialist countries shows, it is necessary to retain at least a small number of household economic undertakings as the supplement of socialism within a fairly long historical period. At the present stage, Chinese peasants still find it necessary to make use of household undertakings within the collective economy. The system of fixing output quotas for each household practiced in the late 1950's was a method devised by the masses to fulfill this wish. This method naturally had many shortcomings then. After years of practice, it finally finds a reasonable form of expression in the contracting system which links rewards with output. It is reasonable because it has discarded the narrowness of small private ownership in leaving room for the application of science and technology in the future and has preserved the strong points of household undertakings. Today's household undertakings are very different in nature. Since land is owned by the public, they are restricted by the collective economy in many ways. They represent a level of management in the cooperative economy and constitute an organic component part of the entire socialist economy. They are different from the individual economy after the land reform and from the small peasant economy of the old society. They represent a new type of domestic economy. With the further development of commodity production, a small number of individual undertakers will detach themselves from the existing collective economy. However, they will still maintain ties with the socialist economy or will organize themselves into economic combinations again. Therefore, these individual undertakers will no longer be self-employed households with small private ownership as we understood them to have meant.

4. Will the System of Contracted Responsibilities on the Household Basis With Payment Linked to Output Hinder Agricultural Modernization?

It has always been thought that household undertakings and modern large-scale production are incompatible with each other. Here, we must first clarify one point, that is, the relations of the size of the cultivable farmland to agricultural modernization.

What does agricultural modernization mean? It means to arm agriculture with modern science and technology and to carry out highly intensive farming and highly socialized production. There is some degree of interdependence between modernization and the scale of farming. In modern production, manpower is replaced by machines and other natural forces. It naturally requires a scale that is suitable for the use of machines. There is no doubt about that. Large-scale production, whether capitalist or socialist, is superior to the small peasant economy. This is also a general law. However, the scale of production is not to be judged by the land area alone. Lenin said: "In the process of switching to intensive farming, the reduction in the amount of land allotted to the peasant households often means an expansion rather than a reduction in the scale of production." He also said: "The main line of development of capitalist agriculture is to change the small economy which is small in scale as far as land area goes into big economy in terms of the scale of production, the development of animal husbandry, the amount of fertilizers used and the degree of mechanization." (See "New Materials Concerning the Law Governing

the Development of Capitalism in Agriculture") It can thus be seen that the scale of production is not equal to the size of the land. The question at issue is the degree of the organic composition of capital and the degree of intensiveness. Contemporary experience also shows that when the production process is highly specialized and socialized, it is possible to bring about modernization whether we have 1 hectare or 1,000 hectares of land, whether it is a household undertaking, an undertaking in which helpers are employed or a collective undertaking. Household undertakings and modernization are not mutually exclusive. Of course, different places have different optimum values for figuring out the scale that can yield the best economic results. There is no such thing as the bigger the better or the smaller the better. We must suit measures to local conditions.

In the light of the conditions in our country, we predict that the future mode of China's agriculture will neither be large-scale extensive farming nor large-scale intensive farming but will be intensive farming on a relatively small scale. Seen individually, it is small in scale; but seen as a whole, it is large in scale. In our country which has a large population, limited arable land and a vast territory, there are great regional differences in economic development. It will take a fairly long time to achieve all-round technical transformation in agriculture. Energy, transport and surplus labor are some of the restraining factors. China has a lot of hilly land and paddy fields with varied landforms. Besides, it has very complicated systems and techniques of cultivation. For example, we have triple cropping, double cropping, intercropping and interplanting. After looking at various factors, we know we must take the road of intensive farming and accord top priority to raising the productivity of land. Therefore, we must now develop the beneficial results of small-scale intensive farming. In future when we have a higher degree of mechanization, the scale of operation will be appropriately enlarged. However, different localities and different mechanical combinations will have different scopes of service. For example, on large plains with few people but a lot of arable land, the scale of operation can be bigger. In other places, the scale may be smaller. The ways to group land together and to make use of the machinery are to be devised by the masses in the course of practice. We can say with certainty that as far as the deployment of machinery and the scope of service go, the system of collective ownership is a favorable factor of fundamental importance. It eliminates the contradiction caused by the private ownership of land as in the case of Japan and the West European countries. The specialized households and teams for land management and the associations which undertake to fulfill machinery servicing contracts which have emerged throughout the country have given us some useful insights. It is not an impractical idea to make unified deployment of machinery in accordance with rational land-utilization plans while contracting out the land.

It is feared that the household contracting system will promote the conservative idea of private possession among the peasants. This fear is not without grounds. However, we must be able to see the other side of the matter, which also happens to be the prevailing aspect. Today's peasants are different from those of the past. They are now new-type laborers under the socialist cooperative system. They accept the contracting system

because they want to break away from the practices of "everybody eating from the same big pot" and "giving arbitrary directions" and establish a better and more perfect form of socialist management.

In our country, the socialist sector of the economy has already achieved absolute predominance. China's agriculture does not have a very solid foundation as far as the latest advanced technology goes. However, after more than 30 years of hard work, we have created a fairly substantial material prerequisite of social productive forces and developed socialism--something we never had before--in the countryside. This has broadened the vision of the peasants. They have seen with their own eyes and realized from actual experience how the new means of production, cultivation techniques and scientific knowledge can help them increase production. Take the north China plain region for example. In the past, a per-mu yield of 200 jin was considered high. Today, anything below 400 jin is low. They have also realized that many things cannot be accomplished by a single household and that it is necessary to join forces and take the road of cooperation. Therefore, they have unanimously supported the fundamental policies formulated by the Central Committee: Stick to the public ownership of the means of production, including land, and preserve the necessary function of unified management of communes and brigades. At one stage, a small number of peasants and even cadres had the wrong impression that the responsibility system meant individual farming. When everything was explained to them, they understood. We can see that the masses are now willing to take part in jobs which require joint efforts, such as building water conservancy projects, breeding fine seeds, preventing plant diseases and insect pests, putting unified cultivation systems and tree-planting plans into practice and retaining a share of earnings as common funds. The details have been fixed in the form of contracts. Evidently, necessary unified management also coincides with the common interests of the peasants. The masses "desire the contract system and are afraid of going it alone." This is true. The peasants want a combination of unified and separate management. What they want is correct "unified" management which can meet economic needs. They are afraid of being "unified" in such a way that "everybody eats from the same big pot." The remark by Comrade Hu Yaobang in his report to the 12th CPC Congress that we must never take the old road again precisely reflects this desire of the masses.

In the future when specialization has been further developed, a large proportion of labor power has been transferred away from the fields, land management has become relatively more centralized, more funds have been accumulated and mechanization has become technically feasible and economically worthwhile, the masses will demand a perfection of the contracting system in the light of these changes. In short, we must make a distinction between this demand and the theory that "the small peasant economy is superior." We do not advocate keeping the small peasant economy forever. We advocate modern large-scale production. We should distinguish the small peasant economy from the household contracting method of management which is of a small scale in terms of the amount of cultivated land. The small peasant economy is characterized by individual, closed natural economy. It is true that the contracting units in our cooperative economy

are small in scale. However, as long as modern science and technology have been put into application, intensive management has been practiced and socialization of production has been achieved on the basis of specialization, what we have can be considered modern big economy.

Today, some communes and brigades have attained a fairly high degree of modernization and intensive management. In choosing the forms of the responsibility system, they have taken great care to preserve and display the effectiveness of the existing large production facilities. This goal has been achieved. For example, they have adopted the method of "unified management, contracting for specialized production and the contract system of distribution," which is good. We now have agricultural machinery with a total driving power of more than 200 million horsepower and have built large-scale water conservancy facilities throughout the country. The total wealth of the people's communes, production brigades and production teams exceeds 100 billion yuan. We must greatly cherish these things and make good use of them. In carrying out reform, we must take into consideration the peculiar features of different communes and brigades and must not seek uniformity. However, this does not mean we should not carry out reform. Our purpose in carrying out reform is to boost the enthusiasm of the peasants. Only when there is enthusiasm can advanced technology be brought into full play. Without enthusiasm, advanced technology cannot be popularized. Thus, even if we have advanced technology, it does not mean that we have advanced production.

5. Are the Contract System of Distribution and the Method of Paying Wages and Bonuses Contrary to the Public Ownership of the Means of Production and Distribution According to Work?

The socialist principles of public ownership and distribution according to work must be adhered to. However, we must not rigidly adhere to "rational" forms which we visualize and divorce ourselves from the state of economic development and the concrete material conditions at a given time and place. In their endeavor to achieve the socialist principles of public ownership and distribution according to work, different countries will go through different natural courses of historical and economic development. It is impossible for people to make arrangements according to their own wish. The most complete form of these two model principles can only take shape when social production is highly developed. In the less developed socialist countries, traces of the old social relations can still be seen to varying degrees in different aspects of economic life. Take the public ownership system for example. We now have two types of public ownership, that is, ownership by the whole people and collective ownership. In addition, we still have individual ownership. There are also different forms of collective ownership. All socialist countries in the world have retained some form of individual economy. At least they retain household sideline undertakings. The nature of a country's social system is normally determined by the dominant and leading economic form. The economic sectors of a country are not strictly confined to a particular type. There are many sectors, some dominant, some supplementary, with the leading form controlling all other forms. The 12th CPC Congress pointed out in clearcut terms that we

must uphold the leading position of the state economy and develop diverse economic forms. This is a basic system suited to China's national conditions. Our experience in one-sidedly going after large size and a high degree of public ownership tells us that we must not attempt to submit rich and varied practice to abstract concepts and blueprints.

In discussing how the proletariat should treat the small peasants after seizing political power in his article "The Peasant Question in France and Germany," Engels said: "Our task with regard to the small peasant consists, in the first place, in effecting a transition of his private enterprise and private possession to cooperative ones, not forcibly but by dint of example and the offer of social assistance for this purpose." In explaining the concrete forms of cooperation, he introduced a plan put forward by the Danish socialists. He said: "The peasants of a village or parish...were to pool their land to form a single big farm in order to cultivate it for common account and distribute the yield in proportion to the land, money and labor contributed." In this case, land and money are still privately owned. Rather than rejecting it, Engels introduced this kind of cooperative to us because they were something which actually existed. The elementary cooperatives which appeared in our country in the 1950's were organized according to similar methods. The documents on mutual aid and cooperation drawn up by our party Central Committee at that time also affirmed the positive role played by these cooperatives in the cooperative movement.

Today, we are carrying out the contracting system with payment linked to output on the basis of the public ownership of land and other basic means of production. The peasants may invest their money on land and may even buy certain means of production. Some means of production are owned and used by the public; some are owned by the public but used by individuals; some are privately owned and used; and some are privately owned but for public use. This structure of ownership may appear to be "impure," but it is willingly accepted by the peasants and can produce excellent economic results and help upgrade the social productive forces. What is bad about this?

The same holds true for distribution according to work. The original intention of this principle was to give the same reward for the same amount of labor. However, due to various reasons, it was impossible to do so with a high degree of accuracy and all we could do was to achieve approximate conformity. As far as this goes, we must educate the peasants not to haggle over every ounce. However, we must not confuse this kind of education with the present policy. Our present policy is that we must adhere to the principle of distribution according to work and must not practice egalitarianism. Egalitarianism runs counter to the principle of distribution according to work. During the period of the people's communes, we practiced something quite similar to the egalitarian ration system. This system was obviously a failure because it benefited the lazy people at the expense of the hard-working people. The system of remuneration according to labor quotas was theoretically feasible, but actually it gave rise to numerous difficulties, from the fixing of quotas to checking the computation. With the labor quota system, we could only use a criterion as a point

of reference and could not attain accuracy. Thus, not many places upheld this system. In reality, the method of evaluating work and allotting work points was universally practiced. Work points were registered for each person and remuneration was paid according to work points earned. Those who did more work would not be paid more and those who were paid more did not do more work. It still had the basic drawbacks of egalitarianism. Moreover, with everyone making a living by earning work points, the rational flow of manpower was adversely affected with the passing of time. This situation encouraged the trend of unitary production in the countryside and discouraged efforts to open more job opportunities for the peasants. Under the present contracting system with payment linked to output, the method of distribution according to contract is practiced. "After ensuring the state's needs and giving a sufficient amount to the collective, the remaining portion is ours." Here, the "remaining portion" also includes rewards for private investment. As far as its form is concerned, we cannot say that it is distribution according to work in the purest sense. However, since it provides that those who do more work and put in more can get more, and since what is put in is still the materialized form of one's labor, we cannot say that it runs counter to the principle of distribution according to work. As far as the actual result goes, this system is much closer to the principle of distribution according to work than the egalitarian method of distribution. It is a system of labor remuneration which is suited to the existing level of productive forces in China's countryside.

6. The Trend of Development of the Cooperative Economy

As Premier Zhao Ziyang pointed out in his report to the Fifth Session of the Fifth NPC, "At present, the system of contracted responsibilities with payment linked to output has been extended from a few places to most of the country, from the rural areas to cities and towns, from agriculture to other spheres.... This shows that at the present stage this system is a very effective form for displaying the superiority of China's socialist economic system in the countryside." The various forms of the system of contracted responsibilities with payment linked to output can now be found in most parts of the country. Our present task is to concentrate on making these forms more perfect. How to correctly handle the relationship between unified and separate management and between specialization and association is an important problem confronting all localities. For the majority of the communes and brigades in the whole country, the focal point of their work at present is to arouse people's enthusiasm in developing diversified undertakings. Farmland contracting households, specialized contracting households and self-managed specialized households should be encouraged to develop production boldly and strive to become well-off through hard work. Only in this way can we bring about new developments in the productive forces and gradually strengthen collective management and set up economic combinations on a new material foundation. Only in this way can we facilitate the resolution of the contradiction of "everybody eating from the same big pot," motivate various economic forces which are still being repressed and promote the transformation of agriculture from self-sufficiency and semi-self-sufficiency to large-scale commodity production and from traditional to modern. When production is developed and the

technological level is raised, the rural cooperative economy will develop as a result of the masses' own wish and the movement of the economy itself. In this way, the undesirable consequences of simply relying on administrative measures can be avoided.

At present, the rapid development of diversified undertakings has gained new momentum in the countryside and a large number of specialized households have emerged. When production undertaken by these specialized households has been further developed, there will be demands to improve the management conditions, enlarge the scale of management and establish production, supply and marketing, transport, processing and technical service associations. These have been developed to a certain degree in some of the economically better developed localities. However, in most parts of the country, they are still young sprouts and will only grow up and gain strength when proper conditions present themselves. We must enthusiastically support them and create conditions for them so that they can develop healthily. We must not be overanxious for quick results and spoil things by excessive enthusiasm.

The system of integrating government administration with commune management should be changed into one which separates the two. The grassroots organs of political power should be set up according to the stipulations of the constitution. After the system of contracted responsibilities with payment linked to output has been adopted, the original basic accounting units of communes and brigades are still responsible for contracting out land, managing water conservancy facilities and public accumulation, signing contracts and other service functions. Their scale may correspond with the natural regions of land cultivation. With the development of the commodity economy in the future, there may even be associations of a higher order between different basic cooperating units and between cooperating units of different natures, thus forming economic combinations which integrate agriculture, industry and commerce. The commodity economy needs cities and towns and will create cities and towns. Therefore, certain market towns in the rural areas will become the props of the cooperative economy and links between the urban and rural economic networks. In addition, other supplementary forms will constantly emerge. The above is a rough forecast of the prospects of the cooperative economy. In the course of the development of commodity production and commodity exchange, there are bound to be multi-direction flows and multi-form combinations of various key elements of production in society. This phenomenon is in conformity with the law of development. We should act according to circumstances and should not artificially obstruct or make matches.

A large-scale reform is now underway. Numerous problems exist. When old contradictions are resolved, new ones will arise. However, no matter what the contradictions are, they can be readjusted and resolved consciously by people who control political power with their own strength. This cannot be done in capitalist societies. We are marching forward into the future with great confidence. A basic guiding principle of our work is: Consistently follow the mass line and uphold the principle of voluntary participation of the masses. Objective economic needs are reflected directly or indirectly

through the will of the masses. When we go against the will of the majority of the masses, we also go against objective economic laws. When we carry out reforms, we cannot work without any tentative plans. However, we must take care not to regard these tentative plans as unalterable rules and impose them on the masses. On the contrary, we must learn from the masses, respect their pioneering spirit, respect practical experience and constantly amend our own points of view.

The erroneous practices of doing things in a sweeping manner, rushing headlong into action and demanding uniformity in everything are incompatible with the mass line. In this reform, "the Central Committee is against forcing or criticizing anyone and putting labels on people. On the contrary, we always emphasize the need to carry out investigation and study and proceed from reality in everything. We emphasize suiting measures to local conditions. We emphasize the need to have multiple forms. We emphasize the democratic practice of letting the masses make their own choice. We emphasize the need to gain experience at selected spots and guard against the tendency to do things in a sweeping manner and demand uniformity in everything." (Comrade Wan Li's speech at the meeting of agricultural secretaries and meeting on ideological and political work in the rural areas) Comrades all over the country have, in accordance with the directives of the Central Committee, adhered to the method of suiting measures to local conditions, carrying out separate guidance, conducting experiments at selected spots first and leading the whole area forward in a systematic way. This method may appear to be slow. However, it will give the cadres and masses ample time to enhance their understanding and distinguish between right and wrong through their personal experience. In this way, they can do their work effectively and well. This is a successful experience. In continuing with our march forward and tackling even more complicated tasks in the future, we must continue to adhere to these methods. The above are my personal views. They are not very thorough. Please oblige me with your criticism and comments.

(There have been some additions and deletions in publication.)

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CONTRACT SYSTEM IN COMMUNE, BRIGADE ENTERPRISES DISCUSSED

HK301049 Beijing RENMIN RIBAO in Chinese 29 Mar 83 p 2

[Commentator's article: "Introduce 'Contracts' Into Commune-Run and Brigade-Run Enterprises"]

[Text] Our paper today carries reports on the Shuangqiao commune, Xuancheng County, Anhui Province, introducing "contracts" into commune- and brigade-run enterprises. This can be compared to peach blossoms among bamboo groves and shows signs of the vitality of commune- and brigade-run enterprises.

With the stabilization and constant improvement of the system of contracted responsibilities linking payment with output, commune- and brigade-run enterprises are developing faster than before. In places where commune- and brigade-run enterprises flourish, profits delivered by enterprises to production teams often account for an important part of the distribution by the collective.

Because of the influence of "leftist" ideas, many problems have existed in commune- and brigade-run enterprises for a long time. The main cause lies in "eating out of the same big pot" in management. Some people said: "If commune- and brigade-run enterprises are not iron rice bowls, they are at least unbreakable plastic pots." In many commune- and brigade-run enterprises, investment is great but returns are yielded slowly. Some of them are in heavy debt and have not been able to pay the workers. Some have even shifted their losses on to agricultural production and added economic burdens to commune members and the collective. Reforms must be carried out in commune- and brigade-run enterprises.

The Shuangqiao commune has introduced "contracts" into commune- and brigade-run enterprises and abandoned the "big rice pot." This has aroused the enthusiasm of the workers in production, given play to the inherent vitality of the enterprises and opened up a new situation in commune- and brigade-run enterprises: 1) This has enhanced the rationalization of the structure of business management and has changed the situation of a long-lasting standstill in development. 2) This has orientated the direction of management toward serving the society and market demand, and marketable products are produced. 3) This has systemized enterprise management, has combined

responsibilities, power and profits so that enterprises have power to make management decisions and has increased the workers' sense of being masters of the country.

We should continue to conduct reforms in commune- and brigade-run enterprises and score achievements in this respect. We must pay attention to the following: 1) We must act according to the principles and policies formulated by the party Central Committee and the State Council, suit measures to local conditions, make use of advantageous factors and correctly select trades and professions for development. We must take into consideration the development of rural diversified management and make unified plans and arrangements so that these enterprises will match the commune members' sideline production and production of key households and specialized households. We must proceed from the conditions of local resources, communications, power supply and public facilities and rationally determine the forms of organization and scale of enterprises. We must follow the guidance of state plans and so on. 2) We must not rigidly fix the forms of the contract system for commune- and brigade-run enterprises and must let the workers explore, try, assess and select the best forms needed for production in practice. 3) Leading cadres must actively and with initiative help the masses of the people to select the forms of the contract system according to respective conditions, be good at summing up experiences and suit measures to local conditions and popularize these experiences. In this way, commune- and brigade-run enterprises will play an even greater role in making the rural economy prosperous.

CSO: 4007/102

'RENMIN RIBAO' ON COMMODITY GRAIN BASES

HK260430 Beijing RENMIN RIBAO in Chinese 25 Mar 83 p 1

{Commentator's article: "A Reform of Profound Significance"}

[Text] The Ministry of Agriculture, Animal Husbandry and Fishery and the Ministry of Commerce have signed an agreement with the three provinces of Anhui, Heilongjiang and Jiangsu. According to the agreement, joint commodity grain bases linking money to grain are to be established and financed by the state and the localities. This is an important measure for accelerating the construction of commodity grain bases and a reform of profound significance in the management system in agricultural capital construction.

Since the founding of the state over 30 years ago, grain has always been a big problem in national economic construction. The 3d Plenary Session of the 11th CPC Central Committee made important decisions on agricultural development which enlivened the agricultural economy, and the rural situation is good. Recently, leading cadres of the central authorities pointed out that grain will remain an important issue for a long period of time in the future. According to long-term planning, if the total grain output increases to 960 billion jin by the year 2000 and if by that time our population reaches 1.2 billion, per capita output of grain will be 800 jin. That means the problem of adequate grain production will be basically solved. It is not easy to achieve this target. It is necessary to blaze a new trail and adopt effective measures. One of the important measures is to speed up the pace of building new and old commodity grain bases.

In recent years, the system of production responsibility has been established in rural areas. This has greatly aroused the initiative of the peasants in production. However, how to practice the responsibility system between the government and the agricultural economic body and between the state and the locality is an issue unsolved. For over 30 years, the state has invested a big amount of money in agriculture, forestry and water conservancy for promoting agricultural development. However, economic results were poor and great waste was caused by the "supply system" which had been practiced in these aspects in the absence of the responsibility system. This also happened in the building of commodity grain bases. In the past, state investment was not linked to the amount of commodity grain to be

turned over by the collective economy. Responsibility, power and interests were not defined. Things were done on too large a scale and required more and more investment. Consequently, the task of delivering grain to the state was not easy to fulfill. The experiences show that the previous method of "everybody eating out of the same big pot" and "supply system" must be changed.

The present experimental reform is inspired by the system of contracted responsibilities with payment linked to output in rural areas. It may be called a system of contracted responsibilities in the building of commodity grain bases, that is, contracting production tasks to provinces and counties. This will enable us to overcome the weakness of "everybody eating out of the same big pot" and arouse the initiative of the state, province, county and the masses. This is a great breakthrough and will undoubtedly be an inspiration to the reform of other economic work.

The state will get more commodity grain from commodity grain bases set up in some counties. These counties can make an overall plan and all-round arrangement and blaze a trail in agricultural development with Chinese characteristics and combining traditional technology with advanced technology. We should attach great importance to economic results. Our main effort should be exerted in tapping potentials and completing the projects of capital farmland construction, in technical transformation and intellectual exploitation and in raising the new comprehensive production capacity in agriculture. We should concentrate the strength of the state, the collective and the masses. In particular, we should effectively help and increase the number of specialized households engaged in grain production and enhance their exemplary influence over tens of thousands of peasant households. This experiment and study will not only promote grain production and enhance economic results, but will also help us accumulate experiences and train talented people. All this will play an exemplary role in realizing agricultural modernization.

(250: 4007/102)

NATIONAL

NATIONAL STATISTICS ON CATTLE PROVIDED

Beijing RENMIN RIBAO in Chinese 6 Feb 83 p 2

[Article: "Shortfall and Potential in China's Cattle Raising Industry"]

[Text] As of the end of 1981, China had 73,301,000 head of cattle, of which 53,833,000 were oxen, 18.77 million water buffaloes, and 698,000 milk cows. This was one-third of India's 243 million cattle (1980).

In 1980, China's rural villages sold or slaughtered for their own consumption 3,016,000 head, a rate of removal from inventory of only 4.1 percent. This was only one-fourth the average world rate of removal from inventory of 17.6 percent. The dressed weight of beef cattle averaged 166 jin, less than one-third the world average figure of 394 jin.

In 1981, China produced 2.58 billion jin of cow's milk, an average of 3,700 kilogram per cow per year, which was on the low side of moderate in world terms.

If 5 percent of China's 53.83 million head of oxen and 18.77 million head of water buffalo were replaced with improved breeds able to serve as draft animals and provide milk, at 1,500 kilograms of milk per cow per year, milk output could be increased by 10.9 billion jin per year, more than four times total national milk output in 1981

9432

CSQ:4007/98

'RENMIN RIBAO' ON BREEDING MORE MILK COWS

91247 Beijing RENMIN RIBAO in Chinese 28 Mar 83 p 2

[Commentator's article: "Go All Out To Breed Milk Cows"]

[Text] By fully utilizing the grasslands, grassplots, hillsides and the by-products of crops to breed cattle, particularly more milk cows, we not only can improve the nourishment of urban and rural people but also increase the economic gains of peasants. This is a course that should be propagated.

The reason the breeding of milk cows in Heilongjiang was able to develop rapidly is that they broke out of the situation in which the state-owned enterprises monopolized everything, and began practicing the method of state, collective and individual going into action simultaneously. Qiqi Haer city set up point cooperatives for breeding milk cows, practiced the system of private ownership of milk cows, decentralized operations, income to individuals and unified management. The fresh milk supplied by them makes up more than 35 percent of the commodity milk of the whole city. Shaanxi and other provinces have followed the same path in breeding milk goats. This is a method which needs less investment, has a fast turnover, makes breeding easy, can save labor and extensively utilizes all kinds of green fodder.

The experience of Heilongjiang Province proves that there is a method of solving the shortage of milk in cities, that is to combine the breeding of milk cows in city suburbs with that of the extensive rural areas. The reason the shortage of milk in big cities is getting more and more serious is that they have not earnestly tried to solve the above problem. In light of our country's grain and funds situation, we can neither implement the method of feeding cows with large amounts of grain to get high output, nor can we rely on integrated economic forms to accelerate the speed of development of breeding milk cows. The superiority of our country is that we have a large population and, therefore, we must take as our starting point in the development of breeding milk cows the 800 million peasants. Provided the broad masses of peasants have initiative in breeding milk cows and the state supports them with cattle resources, fodder, technical know-how, funds and other materials, we will be able to promote the development of breeding milk cows. Then, a steady flow of milk will be supplied to the cities and food processing departments like little streams flowing into a river and the people in cities and towns will get an abundant supply of fresh milk and milk products.

POLICIES, PROBLEMS IN SALES OF DRAFT ANIMALS VIEWED

Beijing ZHONGGUO NONGMIN BAO in Chinese 27 Feb 83 p 2

[Article: "Market Management Department of National Industry and Commerce Administration Replies to Reporter's Questions on Dealings in Draft Animals "]

[Text] Quite a few recent letters from readers have asked whether or not an individual may deal in draft animals, what procedures have to be followed, and what problems should be watched in transactions involving draft animals. The reporter put these questions to the Market Management Department of the National Industry and Commerce Administration.

Question: What is current national policy on dealings in draft animals?

Answer: Draft animals means mostly oxen, horses, mules, donkeys, and camels. "City and County Market Trade Management Methods," which was recently issued by the State Council states clearly that, "So long as it serves production, on certification by grassroots administrative units, grassroots rural production units and individual peasants may buy draft animals from elsewhere for sale locally. Purchase from principal production areas must be approved by industrial and commercial administrative organizations in the producing areas. This regulation makes clear the following two points: First, except where there are organized, led, well-run draft animal markets that help the masses even out shortages and surpluses and transfer different kinds of draft animals, rural grassroots production units and individual peasants or households in partnership in all jurisdictions may buy draft animals elsewhere for local sale. Most important is that such transactions serve local agricultural production and provide breeding stock for peasants to raise to help expansion of production. Second, those who deal in draft animals must carry a certificate issued by local grassroots administrative units, and when they go to make purchases in principal producing areas, they must receive approval from local industry and commerce administrative organizations for centralized planning purposes. In addi-

tion, when selling draft animals, national regulations on livestock quarantine must be obeyed.

Question: What Problems Should Be Watched For When Dealing in Draft Animals?

Answer: Draft animal transactions are to be carried out in state designated country fair markets or special draft animal markets, and both livestock trade taxes and market management fees are to be paid in accordance with regulations. Livestock trade taxes will be collected by tax departments in accordance with state regulations; market management fees will be collected by market management departments, fee rates not to exceed 1 percent of the amount of the transaction. Once handling fees have been paid in accordance with national regulations at livestock exchanges established with approval of provincial, municipal, and autonomous region people's governments, no further market management fees are to be levied. When draft animals are given a quarantine examination, quarantine departments may collect a quarantine examination fee in accordance with state regulations. No other units may collect fees at markets under any pretexts whatsoever. Fees are not to be collected except for livestock transactions.

Second, draft animal transactions are to be conducted under the direction of transaction service personnel. Black market brokers who indicate prices by surreptitious gestures, make deals by using code words, attempt to dominate the market, swindle and extort the peasants, and otherwise disrupt market order must be resolutely outlawed.

Third, In order to prevent thieves from disposing of stolen goods, all draft animals sold must have a certificate issued by grassroots administrative units. In cases where a draft animal's origin is unclear, until such time as clarification is made, no dealings in the animal are to be permitted. In actual cases of livestock theft, both industrial and commercial administrative organizations and public security organizations will handle matters according to law. The broad masses of peasants should actively expose and report thieves to industrial and commercial administrative organizations and to public security organizations in order to preserve rural social order and help the government manage livestock markets well.

1982

1982:05:17/74

METEOROLOGICAL DEPARTMENTS URGED TO IMPROVE

OW281726 Beijing XINHUA in English 1216 GMT 28 Mar 83

[Text] Beijing, March 28 (XINHUA)--China's meteorological departments are urged to offer better forecasting service of cold waves, frost and wind, especially locally disastrous weather conditions, including sudden hail, heavy rains and windstorms, according to the National Meteorological Bureau.

Zou Jingmeng, head of the bureau, said at a nationwide telephone conference yesterday that the meteorological departments should make full use of modern facilities, including meteorological facsimiles, satellite cloud pictures and radar, and offer more specific information for localities.

The bureau head urged the departments to set up a meteorological network and to forecast disastrous weather for a coming short period.

This spring, some places in China were hit by cold wave, frost, windstorm and hail. Rainfall in Guangdong Province were several times higher than usual. On March 1, a passenger vessel capsized on the Xijiang River in Guangdong Province because of an unexpected windstorm. The accident involved 200 passengers and 22 crew members and 86 of them were rescued.

China has 215 meteorological radar stations, 64 satellite ground stations and 1,300 weather stations with radio facsimile equipment.

CSO: 4020/63

GROWING OF CASH CROPS IN DESIGNATED GRAIN FIELDS PROHIBITED

Beijing ZHONGGUO NONGMIN BAO in Chinese 30 Jan 83 p 2

[Article: "Need for a Very Firm Grip on Grain Production"]

[Text] Since the Third Plenary Session [of the 11th Party Central Committee], in following a program of positively no relaxation of grain production while actively developing economic diversification, all jurisdictions have readjusted the structure of agriculture and corrected a longstanding situation of undiversified grain production. As a result, both grain crop and cash crop patterns have gradually become more rational, the ratio of forestry, animal husbandry, sideline occupations, and the fishing industry within the agricultural economy has increased; the rural economy has boomed; and the ecological environment has also improved. Results of readjustment have been remarkable. However, we must also realize that China has a large population relative to cultivated land, and that getting enough to eat is always a matter of prime importance. Grain is the principal food of the Chinese people, and it is also an important raw material for the food industry and the livestock feed industry. Looked at in overall terms, solution to the grain problem must be founded on self-reliance. Consequently, a very, very firm grip must be taken on grain production. All cultivated land suitable for the growing of grain must continue to grow grain in order to realize consistent increase in total grain output.

For the sake of solving income problems, some places are now converting cultivated land where grain is grown to the growing of cash crops. This matter has to be considered in terms of the whole picture. Cultivated land suited to the growing of grain must continue to grow grain. Only in this way will it be possible to convert the cultivated land not suited to the growing of grain in which grain is still being grown. If places suited to the growing of grain are also changed over to the growing of cash crops, grain output will decline, and those places will be unable to effect the change. Therefore, the situation as a whole has to be considered so that in both the growing of grain and cash crops it will be possible genuinely to adapt general methods to

local situation and make the most of advantages.

In order to make a reality of the program of positively no relaxation in grain production, all jurisdictions are to follow the principles of adaptation of general methods to specific situations, making the most of advantages, and proper centralization to establish a group of commodity grain production bases, to energetically foster and develop specialized households and key households to develop grain production, and to increase the commodity rate in grain production.

Grain production bases should use grain remaining following fulfillment of quotas to operate food industries and livestock feed industries, and to develop animal husbandry so that economic benefits from multiple uses of a single material can be realized and transportation for sale and consumption reduced. Communes and brigades, commune members, and households specializing in the growing of grain in non-commodity grain bases may also privately market and process as food grain remaining after fulfillment of state quotas for multiple increase in the value of the grain.

9432

CSO:4007/96

BRIEFS

WATER, SOIL CONSERVATION--Xian, 24 Mar (XINHUA)--Shaanxi, Gansu, Shanxi, Ningxia, Qinghai, Nei Monggol and Henan in the middle reaches of the Huanghe have made new achievements in water and soil conservation. In 1982, those provinces and autonomous regions built 1.36 million mu of farmland, afforested 7.3 million mu of land, planted 2.4 million mu of grass and thus added 7,588 square kilometers of water and soil conservation area to the region, overfulfilling the planned annual target of water and soil conservation by 75 percent. [OW290131 Beijing XINHUA Domestic Service in Chinese 1213 GMT 24 Mar 83]

AGRICULTURAL GEOTHERMAL ENERGY USE--Fuzhou, 25 Mar (XINHUA)--New annual average of 3,000,000 tons of coal is saved through use of geothermal energy in agriculture across China. This was reported at an academic forum of geothermal energy which closed yesterday in Fuzhou, capital of Fujian Province. Hot springs have been found in 2,600 places in China, in addition to 130 hot water wells sunk over the years. Most of them produce hot water up to 100 degrees Celsius. Springs of boiling water have been found in Tibet, Yunnan and Taiwan. At present, the forum reported, efforts are being made to use geothermal energy in farming, forestry, animal husbandry, sideline production and fishery. In the past, underground hot water was confined to bathing and medical treatment. [Text] [OW290131 Beijing XINHUA in English 1308 GMT 25 Mar 83]

AERIAL TREE SEEDING--Beijing, 14 Mar (XINHUA)--Transport planes of the PLA Air Force have air-sown tree seeds over more than 300,000 mu of hilly land in Guangdong, Hubei and Jiangxi Provinces. Air Force planes will also air-sow tree seeds in Yunnan, Guizhou, Sichuan and Hebei Provinces. [OW290131 Beijing XINHUA Domestic Service in Chinese 0245 GMT 14 Mar 83]

DIESEL OIL FOR AGRICULTURE--Beijing, 12 Mar (XINHUA)--The State Planning Commission decided to increase the supply of diesel oil for agricultural use by 14 percent in 1983. [OW290131 Beijing XINHUA Domestic Service in Chinese 0805 GMT 12 Mar 83]

TREE SEEDING BY AIR--Beijing, 10 Mar (XINHUA)--By the end of 1982, aerial tree seeding had been completed on more than 13 million hectares of land in China, according to the "Economic Information." Seeding from the sky--part of the nation's afforestation drive--has covered as many as 660,000 hectares annually in the past 2 decades, the paper said. It is conducted in 500 of China's more than 2,100 counties. As a result, large tracts of forest have appeared in remote mountainous areas located on the upper reaches of rivers, helping conserve water and soil and improve the environment. Aerial seeding of groves and forage grass has been done in the past few years on the country's loess highlands and in desert areas, thus halting the drift of sand dunes, the paper said. The Ministry of Forestry plans more aerial seeding over another 26 million hectares of land throughout the country by the year 2000. The survival rate of trees is targeted at 50 percent in south China, and 40 percent in north China. [Text] [Beijing XINHUA in English 1107 GMT 10 Mar 83 OW]

NEW SOYBEAN STRAIN--Beijing, 29 Mar (XINHUA)--A new soybean has been successfully bred in China. Trial plantation of the strain in Liaoning, Hebei, Xinjiang and Sichuan indicates that the new strain features high yield, adaptability to climatic conditions and high resistance to plant diseases. Agronomy experts believe that it is the finest strain developed in the last decade. The new strain, named "Tiefeng No. 18," was bred by Shan Weikui and his colleagues of the Liaoning Tieling Prefectural Agricultural Research Institute and has been planted on more than 2 million hectares between 1974 and 1982, which produced an additional yield of 450,000 tons, about 335 million yuan in terms of value. Comparative studies in Liaoning Province indicated that the new strain usually yields 13.84 percent more than other varieties improved in the past. The average per-hectare yield is between 2.23 tons to 3 tons. It is efficient in branching and pod-bearing. About 37.5 kilograms of seeds are enough to cover a hectare, a saving about 40 to 50 percent compared with other varieties. [Text] [OW300141 Beijing XINHUA in English 0821 GMT 29 Mar 83]

PLA AGRICULTURAL OUTPUT--Beijing, 6 Feb (XINHUA)--The Chinese PLA's total income from agricultural and sideline products in 1982 increased by 50 percent over 1981 setting an all-time high, reducing the state's burden and improving soldiers' living conditions. According to statistics, in 1982 its total grain output amounted to 1.21 billion jin, a 3.8-percent increase over 1981; its total fish catch reached 13 million jin. In addition, the PLA produced 110 million jin of meat and 1.5 billion jin of vegetables in 1982. Many PLA units became self-sufficient in meat and vegetables as a result of growing more vegetables and raising more livestock. [Beijing XINHUA Domestic Service in Chinese 6 Feb 83 OW]

AERIAL CAPITAL CONSTRUCTION--Beijing, 10 Feb (XINHUA)--Of the more than 100,000 farmland capital construction projects launched in 1982 across the country, over 220,000 were completed by the end of December 1982, involving more than 1.1 billion cubic meters of earth and stone work. [Beijing XINHUA Domestic Service in Chinese 0108 GMT 10 Feb 83 OW]

VINYL SHEET CROP CULTIVATION--Beijing, 1 Feb (XINHUA)--According to information provided at a recent national meeting in Beijing on exchanging experience on the technique of growing crops under vinyl sheets, China plans to extensively promote this cultivation technique and extend the cultivated acreage to 10 million mu. During the past 2 years, this technique has been rapidly popularized in China. Total area of cotton, peanut, vegetable and rice seedling cultivated by this technique has increased from 600 mu in 1979 to 1.7 million mu at present. [Beijing XINHUA Domestic Service in Chinese 0740 GMT 1 Feb 83 OW]

FEED INDUSTRY ADVANCES--Beijing, 1 Feb (XINHUA)--As of the end of 1982, grain units in China have built 637 feed plants with annual production capacity of 2,000 dun each. Their total production capacity has reached more than 3 billion jin, or a 72-percent increase over that of 1981. Most feed-processing plants have frequently improved their production know-how and installed up-to-date machinery and equipment. Owing to advancements in the feed industry, the practice of breeding livestock with a single kind of feed has been changed. Several specialized and selective households in livestock breeding in Beijing, Shanghai and other places have used mixed feed to raise livestock. In 1982, the grain units supplied the nation with some 6 billion jin of mixed feed, representing a 60-percent increase over that of 1981. [Beijing XINHUA Domestic Service in Chinese 0014 GMT 1 Feb 83 OW]

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BRIEFS

WHEAT TOPDRESSING--By 5 March, 6.95 million mu of wheat in Anhui's Suxian Prefecture had been topdressed with fertilizer. This is about 93 percent of the wheat fields in the prefecture. [OW211235 Hefei Anhui Provincial Service in Mandarin 1100 GMT 10 Mar 83]

RURAL ENTERPRISES--Some 90 percent of enterprises run by communes and production brigades in Anhui's Chuxian Prefecture have implemented economic responsibility system of various forms. In 1982, the total income of enterprises run by communes and production brigades in the prefecture reached 144 million yuan. [OW231429 Hefei Anhui Provincial Service in Mandarin 1100 GMT 23 Mar 83]

BEIJING

AGROTECHNICIANS COMMENDED AT BEIJING MEETING

DW311948 Beijing XINHUA in English 1451 GMT 31 Mar 83

[Text] Beijing, March 31 (XINHUA)--Eleven agroscientists were commended at a Beijing meeting this afternoon for imparting scientific knowledge to peasants while serving their needs in production.

One of them is Professor Cai Xu at the Beijing Agricultural Institute. An internationally prestigious expert of wheat seed breeding. Now in his 70's, he still tours villages from time to time to give on-the-spot guidance and help expand the area under two dozen wheat varieties he has developed. These wheat varieties are now sown on 2.6 million hectares in China.

A number of other scientists commended have worked in the countryside for many years, the meeting reported.

Assistant Professor Lai Yuanchun and his group at the Beijing Agricultural Institute, for example, have since 1973 worked in the traditionally poverty-stricken Quzhou County, Hebei Province, to find ways of transforming saline fields. Thanks to their help, farm output multiplied in some villages in the area.

The experience they have gained is valuable for transforming the saline land on China's biggest plain, in the basins of the Yellow River and the Huaihe and Haihe Rivers.

The meeting was sponsored by the Ministry of Agriculture, Animal Husbandry and Fishery, the Chinese Society of Agronomy and the Beijing mass media, including XINHUA news agency.

Vice-Minister of Agriculture, Animal Husbandry and Fishery He Bang spoke at the meeting, stressing the need for scientists to go down to the countryside to provide better services and impart knowledge.

Wang Guoqiang of the Rural Policy Research Center of the Chinese Communist Party Central Committee said that peasants are eager and thirsty for knowledge, now that they are farming under the job responsibility system.

END (00000)

BEIJING

EGG SUPPLY SITUATION IMPROVES IN BEIJING

(W14130) Beijing XINHUA in English 1100 GMT 18 Mar 83

[Text] Beijing, March 18 (XINHUA)--The Chinese capital will exceed its egg purchasing plan this year, with the volume delivered by producers for sale surpassing last year's total sales volume, according to Liu Jiang, director of the municipal bureau of animal husbandry.

The output of eggs in the first two months of this year reached 7.84 million kilograms, more than doubling the 2.30 million kilogram figure for the same period of last year, he said.

January and February are considered slack months for egg production, and he predicts that production in the coming months will be much better.

In the past, egg supplies were rationed in the municipality, and each household could buy only a few catties (two catties equal to one kilogram) of eggs a month. But since Spring Festival in February of this year, under a relaxed system, supply has been such that each household can buy as much as they need, and rationing of eggs may no longer be necessary, according to some predictions.

Production of meat was lifted several years ago.

Egg production in the Chinese capital last year totaled 52.5 million kilograms, or 20.5 million kilograms more than the 32 million kilograms imported from elsewhere in the country, he said.

The fundamental improvement in egg supply is attributed to the policy of raising the capital and enriching the peasants, encouraging egg production by state farms, collectives and individuals, and popularizing scientific methods and new techniques, he said.

BRIEFS

FISH PRODUCTION--Beijing, 31 Mar (XINHUA)--Beijing will try to increase its annual fresh water fish production from the present 3.5 million kilograms to 8 million kilograms by 1985, according to the plan of the municipal government. At present, the Chinese capital relies mainly on fish supplied from other localities. It shipped in 62 million kilograms of fish from elsewhere last year and each urban resident averaged 8 kilograms in consumption. Beijing now has over 2,000 hectares of fish ponds, but most of reservoirs and rivers, around the city are not yet fully utilised for fish raising. The municipal plan calls for the adoption of scientific methods and the raising of per unit fish output. The municipal government has also decided to build 2,000 hectares of new fish ponds in the old river valleys, low-lying alkaline land and empty kilns. Individuals and consumer units are now encouraged to invest in fish production. Fish purchasing prices will also be raised to encourage producers. The government has also lifted the ban on fish shipments from elsewhere by institutions other than state commerce. The most common fish in the market are hair tail, croacker, pomfret, carp, black carp and silver carp. [Text] [Beijing XINHUA in English 0725 GMT 31 Mar 83 OW]

CSO: 4020/63

FUJIAN FIGHTS BAD WEATHER, CROP DAMAGE

HK290905 Beijing ZHONGGUO XINWEN SHE in Chinese 1235 GMT 28 Mar 83

[Article: "Various Localities in Fujian Fight Against Continuous Rainy and Microthermal Weather During the Spring Farming Season"]

[Text] Fuzhou, 28 Mar (ZHONGGUO XINWEN SHE)--There has been continuous rainy and microthermal weather in Fujian since the beginning of spring. Heavy rains and rainstorms have been reported in Longxi, Jinjiang and Longyan Prefectures. Heavy sleet also fell in Huaan and Anxi Counties. These caused a lot of rice seeds and seedlings to rot, seriously affecting spring farming. Leaders of Fujian Province have gone separately to various localities of the province to help governments there to take emergency measures to fight against natural disasters in order to ensure spring farming.

This spring, unprecedented rainy and microthermal weather has occurred in the most seriously affected Longxi Prefecture. Rainy weather has lasted for more than 50 days in many cities and counties. The volume of rainfall is over 200 percent more than normal years in the past. Some 4 million jin of early rice seeds and seedlings in the prefecture have rotted. Leaders of Longxi Prefecture and various counties and cities have rushed to the first line of production to help peasants solve problems in spring farming. Despite the rain, peasants in various localities go to the fields to dig drainage ditches to save the rice seedlings. The peasants in some localities have bought plastic sheeting to cover the seedling fields. Zhangpu and Nanjing Counties have brought back good strains of rice seeds from other places to make up for the rotten ones. At present, the prefecture has prepared over 700,000 mu of land for transplanting, has soaked over 30 million jin of rice seeds and collected over 60 million dan of manure.

CSO: 4007/102

INCREASE IN PEASANT PER CAPITA INCOME REPORTED

Fuzhou FUJIAN RIBAO in Chinese 13 Feb 83 p 1

[Article by News Unit, Provincial Statistical Bureau: "Peasants Happy at Increase in Cash and Grain. Peasant Net Income in 1982 Averaged More Than 268 Yuan, A More Than 36 Yuan Increase Over Previous Year"]

[Text] Peasant income in the province increased remarkably again in 1982, per capita net income averaging more than 268 yuan, a 36 yuan increase over the previous year. This was the fourth year of continuous great increase in income since the Third Plenary Session [of the 11th Party Central Committee], and almost double 1978 income. A new picture of lots of grain, lots of money, and a year by year increase in the number of prosperous households appeared in the province's farflung rural villages.

Collated data recently obtained from Provincial Statistical Bureau regular and continuous surveys of representative peasant family income and expenditures in 420 peasant households throughout the province show an average per capita peasant net income of 107 yuan as having come from collectives in 1982, 11 yuan more than in 1981. Income from family sideline occupations amounted to slightly more than 132 yuan, 17-odd yuan more than in 1981. Other income from non-productive sources was slightly more than 29 yuan, 9-odd yuan more than in 1981. Changes occurred in income structure ratios particularly as a result of the rapid development of peasant family sideline occupations. In 1982, the ratio of wealthy households with an average per capita net income of more than 300 yuan also increased 8.82 percent over 1981.

Increase in peasant income results primarily from the province's further liberalization of policies, and the general implementation of contract responsibility systems linked to output, which have brought about all-around bumper results in farming, forestry, animal husbandry, sideline occupations, and the fishing industry, and have increased the agricultural sideline products commodity rate. Peasant per capita income for the province as a whole derived from sales of various agricultural sideline products in 1982 amounted to slightly more than 98 yuan, a somewhat greater than 20 percent increase over 1981. Cash in the hands of the peasants and in bank and credit cooperative savings accounts was 26-odd percent and 44-odd percent more respectively than in 1981.

AGRICULTURAL RESPONSIBILITY FORUM HELD IN FUZHOU

OW300430 Beijing XINHUA Domestic Service in Chinese 1513 GMT 28 Mar 83

[Report by Central People's Broadcasting Station reporter Xiao Yulin and XINHUA reporter Qi Bin]

[Text] Fuzhou, 28 Mar (XINHUA)--New changes have taken place in agricultural mechanization in our country with the universal establishment of the many forms of the production responsibility system in the countryside. At present, about two-thirds of the agricultural machines and tools in our countryside are being managed individually by peasants or jointly by peasant households, and a number of households specializing in agricultural machinery have appeared.

In view of this new reform, the China Rural Development Research Center has asked departments concerned to hold the second national forum to discuss the relations between the agricultural production responsibility system and agricultural mechanization in Fuzhou city between 22 and 28 March.

The forum held that the emergence of individual peasants operating agricultural machines and households specializing in agricultural machines have played a positive role in developing agricultural production and enlivening the rural economy. In dealing with individual peasants or households joining together in purchasing agricultural machines, departments concerned must adopt a policy of "support, service, guidance and management" and treat them equally and without discrimination, like other units collectively operating agricultural machines.

In the course of discussion, the more than 100 agricultural machinery experts, professors and management cadres of business departments from various parts of the country suggested that the forms of management of agricultural machinery by the state, the collective and individuals should coexist simultaneously. The product mix of agricultural machinery under the present stage should be in keeping with the principle of conforming with local conditions and of giving priority to small and medium sizes while taking account of the large, medium and small sizes. The experts held that judging from the present situation in our country, special attention should be paid to developing machinery and equipment for the fodder and food processing industries in rural areas. The work of

agricultural machinery management departments at all levels should also be in keeping with the needs arising from the change in the situation, shifting the focus of work toward helping the peasants in improving the level of agricultural machinery management so as to provide social services for the peasants and agricultural machinery operators in blazing a new path of socialist agricultural mechanization with a Chinese character.

CS0: 4007/102

PEASANTS IMPROVE CONDITIONS THROUGH OWN EFFORTS

HK190232 Beijing CHINA DAILY in English 19 Mar 83 p 3

["Special to CHINA DAILY" by Li Xin]

[Text] Because they built a three kilowatt hydroelectric power station in their Fujian mountain hamlet of four households, Xu Erfu and his cousin Xu Erxiang have become widely known as a good example of peasant initiative for production and better living conditions.

Pine torches and oil lamps had been the only source of lighting for generations in Shandangyang hamlet, which lies deep in the mountain of east Fujian Province. The tiny community is far from a power line. With their own investment--5,000 yuan--plus a subsidy and a loan totalling 2,100 yuan from county authorities, the Xu cousins in 1981 built a small power station on a nearby stream. It generates enough electricity to light the four houses and to run the pumps that irrigate rice paddies of two-thirds of a hectare.

The story has come to the attention of central authorities who cited the Xu cousins as an example of initiative by peasants in using their own resources to improve living standards. The Xu cousins were praised as trailblazers.

Not Uncommon

Reports from across China show that "do-it-ourselves" stories like this one are not uncommon in these days. In Pingshun County, Shanxi Province, 7,000 peasant households pooled their money--four million yuan to start 10 power stations. As a result, electricity has reached 95 per cent of the 81 production brigades in the county (a brigade is usually a village).

Officials attributed the new peasant initiative to the current policy of encouraging rural prosperity through both collective and household production. The Xu cousins in Fujian Province, for example, each earned more than 4,000 yuan in 1981 and 1982 from growing grain and tea and from side-lines including collecting medicinal herbs. They were thus able to save enough money for the power station.

In Anhui Province, which includes some of the poorest areas in China, communes and their subdivisions have become prosperous enough to start 140

cultural centres with libraries, TV rooms and sports grounds. The province is known for pioneering in the new responsibility system with resultant sharp increases in peasant incomes.

Reports also indicate the new rural policies have given peasants still more scope to exercise their initiative.

Transport

In Yuncheng County, Shanxi Province, more than 1,000 small scale transport services, with 150 trucks and 1,140 tractors, have been started by individual households or by groups of households. These have proved to be an indispensable part of local economic life, since government-run transport companies cannot handle all goods that need to be shipped in and out of the area.

The current policy allows peasants to engage in long-distance transport of whatever remains after paying taxes and fulfilling the state purchase quotas for agricultural and sideline products. Exceptions include cotton, and valuable medicinal materials, which are indispensable for state industries and the life of the people and have to be put under government control.

Peasants are not only encouraged, but also assisted, in starting household and co-operative production enterprises. When Peng Xianghai, a peasant in Yibin County, Sichuan Province, found his dairy farm not profitable for lack of transport and refrigeration facilities, the local bank advised him to start a milk powder plant and promised him a loan.

Peng Xianghai visited plants producing milk powder in a nearby city, where he learned the techniques and what kind of equipment would be needed. His plant now produces 7.5 kilograms of milk powder a day. Production began in April 1982 and the local supply and marketing cooperative acts as sales agent.

Meanwhile, peasants are helping each other to achieve prosperity--yet another indicator of their initiative.

Liu Jixi, another Sichuan peasant, has been successful in chicken raising. His family runs a chicken farm in Dayi County, which yields an annual income of 1,100 yuan. They have kept the survival rate of chicks at more than 98 per cent and their hens lay twice as many eggs as the neighbourhood average.

In order to help others catch up, last year Liu Jixi, 58, received 58,000 visitors and ran eight training sessions attended by people from 54 counties and cities in Sichuan and other provinces.

CSO: 4020/63

BRIEFS

PREFECTURE GRAIN PRODUCTION--Agroscience workers in Sanming Prefecture, Fujian Province, have successfully bred and introduced from other localities several fine strains of rice which give high yields. In 1982, the prefecture's total grain output was 2.04 billion jin, up 170 million jin over 1981. Of the increase in output, about 140 million jin was attributed to the popularization of high-yield rice strains. [Fuzhou Fujian Provincial Service in Mandarin 1120 GMT 6 Mar 83 OW]

CSO: 4007/102

CONSTRUCTION OF HEXI CORRIDOR GRAIN BASE REPORTED

HK210234 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 20 Mar 83

[Text] According to XINHUA, initial results have been scored in the construction of a marketable grain base in the Hexi corridor in Gansu. Last year this region, which contains 16.6 percent of the province's population, sold 67 percent of the marketable grain sold to the state by the whole province.

The marketable grain base in Gansu's Hexi corridor includes 15 agricultural counties, 4 stockbreeding counties and 17 state agricultural and stockbreeding farms in Wuwei, Zhangye and Jiuquan Counties and Jinchang and Jiayuguan cities. They have a total agricultural population of 3.09 million and 10.21 million mu of farmland. After many years of effort, the agricultural production conditions in this region have improved. The region now has 146 reservoirs with a total storage capacity of 1.06 billion cubic meters, 23,000 complete sets of mechanical wells, and nearly 10,000 items of farm machinery. The irrigated area has grown to 7.8 million mu.

In the past 2 years, the Hexi corridor has universally instituted the system of contracted responsibilities for each household and implemented the grain procurement policy. This has effectively stimulated the enthusiasm of the cadres and peasants to grow and sell more grain. Total grain output in the region last year reached 3.498 billion jin, a rise of 18.8 percent over 1981 and a record. In the counties of the corridor, 316 households sold more than 10,000 jin of grain to the state. In affluent Anxi County, each member of the agricultural population produced an average of 2,045 jin of grain and sold 500 jin to the state.

CSO: 4007/102

MEETING STRESSES STRUGGLE TO FIGHT BAD WEATHER

HK310147 Guangzhou Guangdong Provincial Service in Mandarin 2350 G.
30 Mar 83

[Text] The Guangdong Provincial CPC Committee held a telephone conference on the evening of 29 March, attended by secretaries of all prefectural, city and county CPC committees. The meeting stressed that the whole party must fully understand the extremely calamitous weather that has affected Guangdong since last winter, make prompt decisions, summon up resolve, and rely on the policies, on science, on the masses and on party leadership to launch all-round struggle against natural disasters and fight for a bumper harvest this year.

Provincial CPC committee Secretary Lin Ruo and standing committee member and provincial agricultural committee Chairman Du Ruizhi spoke at the meeting. First Secretary Ren Zhongyi participated.

The conference pointed out: This year the province's spring-harvested crops have suffered serious losses, while spring sowing has been greatly delayed. The disaster is still going on. In this struggle against disaster, the most fundamental issue is to seriously implement the central regulations on a number of rural policy problems, to mobilize the peasants' enthusiasm to the maximum. We must continue to perfect the existing production responsibility systems and lay great stress on contracted responsibilities.

The meeting emphasized: At present we must first fight a successful battle in spring farming and strive for a bumper early rice harvest. We must therefore adopt the following measures: 1) Look after the rice seedlings well and sow sufficient seed; 2) tend the rice crop carefully after it is transplanted; 3) before the Qingming Festival, hurry to launch the masses to crash-sow some sugarcane, alfalfa and sweet potatoes.

With such a great natural disaster this year, it is essential to strengthen party leadership in order to organize the millions of the masses to fight the disaster and strive for increased production. The province, the prefectures and counties and the departments concerned must strictly control the number of meetings and avoid convening those that are not really necessary. Meetings that can be postponed should be.

We must explicitly announce that structural reforms will not be carried out in the counties before September and that separation of government administration from commune management will be limited to pilot projects. Everyone must calm their minds and concentrate their energy on spring farming.

Comrade Ren Zhongyi made a brief speech at the conclusion of the conference. He said: We rely on policies and on science to develop agriculture. This has been fully proven by practice. We should still rely on these two when we encounter natural disasters. And in carrying out the correct policies and applying the fruits of science and technology, we must rely on the masses and on party leadership. The natural disasters this year are serious. However, so long as we resolutely implement the party's policies and fully mobilize the masses' enthusiasm and creativity, it is still completely possible to reap a great bumper harvest this year.

Comrade Ren Zhongyi demanded that leaders at all levels maintain a sound, sincere, humble and prudent work style and strive to do their work well.

CSO: 4007/102

GUANGDONG BEGINS COMMUNE REFORM

HK230535 Hong Kong TA KUNG PAO in Chinese 23 Mar 83 p 3

[Special dispatch: "Guangdong Implements Reform of Commune System; First Township People's Government Is Born"]

[Text] The first reform of the commune system in the Guangzhou area has been implemented in Yonghe township of Zengcheng County and the first township people's government born. On the morning of 21 March, with the warm applause of the masses, the old signboard of the people's commune was removed and replaced by new signboards on which the names of the "Yonghe Township People's Government, Zengcheng County" and the "Yonghe Township Joint Agricultural-Industrial-Commercial Company, Zengcheng County" were written. With this, the situation in which the party is not separated from the government, and the government is replaced by the party and the enterprises by the government came to an end. Such a situation has existed for more than 20 years.

The structural reform of this commune is carried out under the leadership of the Guangzhou CPC Committee and the Zengcheng County CPC Committee. At present, there are three leading bodies, each of which has its own responsibilities, for the party, people's government and enterprises. The original commune is changed to a township and the brigades to villages. Villager groups are formed in the production teams. In addition, agricultural production cooperatives are established. The system of ownership in the original economic organizations and the ownership of collective property remain unchanged.

There are 15 full time cadres in the newly established township people's government. Of them, three are the head and deputy heads of the township; two are production assistants (who are concurrently in charge of the scientific and technological association). In addition, there is one judicial assistant, one assistant in charge of finance and grain, one education and culture assistant, one assistant in charge of family planning, one copy clerk, one data processor, one person in charge of general affairs and one head and one clerical worker of the department of the people's armed force. The principal tasks of the township people's government are: to enforce and implement policies, laws and decrees; to implement resolutions adopted by the township people's congress; to supervise and to carry out

concrete leadership and management and the necessary administrative intervention in all the economic work of the whole township through the township joint agricultural-industrial-commercial company; to control finance and revenue; to transmit the state's production plans to lower levels and to assign state purchase quotas of agricultural and sideline products and to ensure that all the tasks assigned by the state are accomplished; to make a success of civil administration, education, public health, cultural construction, public security, mediation of civil disputes, establishment of militia, conscription and family planning; to formulate housing plans for commune members in market towns and social welfare plans and to supervise and organize the implementation of these plans.

The original brigades are changed to villages, and village joint agricultural-industrial-commercial companies are established. The administrative organ of a village is the committee of villagers. The committee consists of 7 to 15 members. Under the committee, there are five subcommittees, which are in charge of family planning, civil administration, mediation of civil disputes, public security and education and culture. Cadres of the subcommittees are recruited according to need.

CSO: 4007/102

STATUS, TRENDS OF SPECIALIZED HOUSEHOLDS ANALYZED

Guangzhou YANGCHENG RIBAO in Chinese 2 Feb 83 p 2

[Article by Ma Encheng [7456 1869 2052]: "Characteristics and Trend of Development of Rural Specialized Households"]

[Text] During the past year, specialized households and key households have developed rapidly like spring bamboo shoots after a rain shower. Nevertheless, people still do not have a deep understanding of their characteristics, nature, and development trends. This is because specialized households are new. They are a fledgling stage of specialized commodity production, and a transitional form in rural specialization and socialization. Thus, they must be considered in a certain historical context to see how they have come into being, grown, and developed. This is advantageous for improving our consciousness in fostering rural specialized and key households.

Specialized Households and Key Households Are a New Development and a New Form Founded on Contract Responsibility Systems Linked to Output. One might say that without contract responsibility systems linked to output, there could be no specialized households. Contract responsibility systems linked to output have settled peasant problems of self-determination in production and operations, and the "large common pot" in distributions; they have also aroused mass enthusiasm, developed production, and increased income. They have provided surplus funds for a considerable portion of the large amount of surplus rural labor that has occurred as a result of increase in the labor productivity rate, and "able people" possessing skills or adept at management have been able to put their talents to use. The combination of funds, labor and skills has brought about new development of productivity for greater in-depth and in-breadth advances in production. Contract responsibility systems linked to output have not only solved food and clothing problems in a restorative way, but development from "small but all-embracing" to "small but specialized" and development from self-sufficient and semi-self sufficient production to commodity production has made the peasants prosper with all possible speed. It was under such condi-

tions that various forms of rural specialized households emerged as the times required.

Specialized households and key households have developed from two directions. One was from specialized contracting, and the other was from family sideline occupations. The former is called contract specialized households, and the latter is called independent contracting specialized households. A survey of suburban Guangzhou showed contract specialized households to number 40 percent, and independent contracting specialized households to number 60 percent. These two kinds of specialized households have the following characteristics: Family run in basic form; commodity production a basic characteristic; and specialization and socialization the trend of development. Because of the commodity production, care must be exercised in cost accounting and productivity rate; sufficient capitalization must be done; and advanced science and technology must be applied. As a result, specialized households have a high labor productivity rate, a high commodity rate, and high economic effectiveness. Of course, these strengths are rather "small but all-embracing," but will gradually rise as the degree of specialization and socialization rises. In terms of assigned standards, key households usually have the following characteristics: 1. A higher than 70 percent commodity rate; 2. production carried out by the main workers in the household or during the main work times; 3. net income from specialization amounting to more than 50 percent of total family income. These assigned standards must be arrived at on the basis of economic levels in individual places, and they are somewhat elastic. In economically advanced places, for instance, they may be somewhat higher; somewhat lower in economically unadvanced places.

Other superiorities of specialized households and key households are as follows: As specialization develops, they advance readjustment of the production structure, and give impetus to economic diversification and comprehensive development of agriculture. When the state invests funds in them, they can provide large quantities of agricultural byproducts, and provide jobs for large amounts of surplus labor. They help promote advanced scientific techniques. As economic effectiveness increases, the peasants gradually become prosperous.

The 10,000 yuan specialized households have attracted attention, and some people are suspicious about whether their income has come from working to be prosperous. A survey of 14 of the most prominent 10,000 yuan households in Shunde County explains the problem very well. An overwhelming majority of these households engaged in livestock and aquatic products breeding, work requiring much intensive labor as well as experience and acquisition of skills. Net income per household averaged 15,000 yuan.

or 2,300 yuan net income per capita. This was 3.3 times the average annual income of peasants in the county as a whole. Moreover, the highest averaged more than 4,000 yuan per capita; the lowest only 500 to 600 yuan. Therefore, there is a very great gap between the actual income levels of 10,000 yuan households. They work with great intensity, many of them putting in 15 or 16 hour days. Quite clearly, the specialized household system has stirred enthusiasm for labor to a very great extent. These people have become models for emulation in rural villages, and frequently a single such person spurs on the people of a whole area to become a model of becoming prosperous through hard work.

Differences between specialized households and key households. Take independent contractor specialized households as an example. Households in which former family sideline occupations have become the main occupation are key households. Households in which family sideline occupations have become specialized are specialized households. However, in view of China's agricultural production circumstances, rarely is there such a thing as a specialized household specializing in a single occupation. In most, one occupation is dominant, others being done concurrently. This makes possible full use of soil potential and labor potential, and is suited to the seasonality and intermittent nature of agricultural production, and to the multiple tasks that characterize it. As regards those peasants who go away to engage in industrial sideline occupations, until the time when their income was absolutely guaranteed, few wanted to leave the land. But with development of productivity and increase in the division of labor and the division of occupations, this situation has gradually changed. Consequently, today the only difference between specialized households and key households is their numbers; there is no difference in their nature.

Specialized household and key household trends of development. As the degree of specialization increases, more and more socialized services and cooperation are needed. Today various forms of partnerships have come into being. These partnerships may be divided into two main kinds: One is partnerships between households. Usually these are small in scale and not enduring, but they are flexible, simple, and workable. Most such partnerships are for specialized purposes such as the joint purchase of a boat for fishing, the joint purchase of an ore separation trough for mining, or the joint purchase of a transportation vehicle. With the implementation of policies such as extending contract periods, and permitting division of profits on the basis of shares invested, numerous entrepreneurial partnership contracting households have emerged to advance on the "five desolates" -- barren mountains, uncultivated narrow corridors [5435 8243], unused ponds, unused shore areas, and unreclaimed foundations of demol-

ished structures. Yet another kind of partnership is those between specialized households and state-owned enterprises, supply and marketing cooperatives, commune and brigade enterprises, and scientific and technical units. In some places, all parties have bought shares to set up service companies to provide services before production begins and after it ends such as scientific and technical service, plant and animal production, supply of the means of production such as livestock feed and seedlings, and the processing, marketing, and transportation of products. Then there are loose partnerships for a single purpose whereby the production of specialized households becomes linked to various branches of the economy mostly through the signing of agreements. Such socialized services and cooperation overcomes the limitations and random aspects inherent in transactions by individual households, and promotes specialized commodity production. These partnership operations adhere to the principle of voluntary participation and equality for mutual benefit. They differ from the former amalgamations, and do not change existing ownership rights of individuals and economic sectors; thus a form of family operations continues to be maintained.

As regards the nature of specialized households, much discussion has been devoted to specialized households that operate independently. Some people believe that they have developed out of family sideline occupations and private plots. Since they put up funds themselves, operate alone, and account independently, they are an individual economy that supplements the socialist system of public ownership. In fact, once contract specialized households have contracted with production teams, they too invest funds and means of production to varying degrees, and they also become a component of the independently operating economy. In this respect, they are like the independently operating specialized households. Though independently operating specialized households have developed out of household sideline occupations and private plots, the two are different in nature. The former does commodity style production; the latter is a self-sufficient or semi self-sufficient economy. As the quantity of specialized household commodities increases, most cannot be marketed locally, but rather are transported elsewhere for sale by state-owned and collective commercial departments. Thus, in both the supply of the means of production and the marketing of agricultural sideline products, they are inextricably bound up with state enterprises, and specialized household production becomes a part of the state planned economy through the contract system. In this sense, specialized households become an integral organic part of the total socialist economy. They also possess a certain socialist element, yet they are not entirely an adjunct or supplement to the socialist economy. This problem requires further exploration.

Over the Long Run, Will the Number of Specialized Households Likely Increase. In China today, basically 700 to 800 million peasants are involved in producing food to eat. As productivity develops and the labor productivity rate increases, more and more peasants will leave agriculture and gradually move into medium size and small cities and towns to engage in other specialized labor such as industry, business, and other service trades. In this sense, the number of specialized households engaged in farming is not likely to continue to increase. However, this separation from farming and change in occupation is a gradually thing, that will come about mostly in the form of specialized households. Furthermore, the peasants who continue to specialize in farming may also become commodity producers with a division of labor and a division of jobs. In this sense, very great development of specialized households will take place. This is only an estimate of developments over the long term, and the specific road that will be followed and the form that will be assumed await actual practice.

The emergence in large numbers of specialized households and key households has posed numerous new circumstances and new problems requiring corresponding formulation of new policies. Numerous policies recently formulated by the Central Committee such as hiring of assistants, dividing up of profits on the basis of shares owned, long distance hauling of products for sale, and purchase of large transportation vehicles all focus on specialized households and new economic associations. As rural economic policies are appropriately liberalized, greater strengthening of leadership and management are required. One thing that must be done for specialized households is to provide active support and help them overcome the limitations of individual household production. Various forms of specialized service organizations must be set up with all possible speed. Right now most urgent tasks are solution to problems in supply of livestock feed, keeping open channels for the circulation of commodities, and hastening the pace of scientific and technical service. Another thing that must be done is to make sure to guide action adroitly as circumstances require, and to overcome blindness in operations so that specialized households and key households will develop in a healthy way as laws and policies allow.

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BRIEFS

COMMUNE, BRIGADE ENTERPRISES--Commune and brigade enterprises in Foshan Prefecture have achieved good results in implementing the system of contracted responsibilities. Guangdong Province recently held a conference of the directors of the prefectural, city and county bureaus for the administration of commune and brigade enterprises. The conference attached importance to the experiences of commune and brigade enterprises in Foshan Prefecture in implementing the system of contract responsibilities. The conference demanded that all places further and completely implement the system of contracted responsibilities in enterprises, do well in reform, promote development and continue to create a new situation of commune and brigade enterprises. Last year, the total income of all commune and brigade enterprises throughout Foshan Prefecture reached 2.27 billion yuan, 17.6 percent more than in 1981. [HK281540 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 21 Mar 83]

COMMENTARY ON STRUGGLE AGAINST DISASTERS--The continuous cold, wet weather in Guangdong since last winter has now turned into a natural disaster, and the disaster is continuing to develop. We must fully understand the gravity of this situation, mobilize to overcome difficulties, launch an all-round struggle against natural disasters and reap a bumper harvest this year. Doing a good job in spring farming and reaping a bumper early rice harvest is very strongly related to promoting agriculture, this strategic focus. At present there are only a few days to go to Qingming, and the season is very pressing. We must adopt extremely effective methods to readjust the original cropping plans in light of the conditions and the season, and hurry to replant, crash-sow and crash-transplant. We believe that so long as we bring into play the power of the policies, science and the masses, while the leaders at all levels stand in the forefront of the struggle against disasters, we will certainly be able to win victory in the struggle. [Excerpts] [HK010250 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 31 Mar 83]

PREFECTURE GRAIN OUTPUT--Guangzhou, 11 Mar (XINHUA)--In 1982, the total grain output of Zhanjiang Prefecture reached 7.3 billion jin. [OW281429 Beijing XINHUA Domestic Service in Chinese 0142 GMT 11 Mar 83]

CSO: 4007/102

BRIEFS

AGRICULTURAL RECLAMATION SYSTEM--All farms and enterprises of the Guangxi regional agricultural reclamation system have seriously strengthened management and promoted the development of production. Last year, the system made a profit of 26.04 million yuan, an increase of 19.6 percent over 1981; and submitted taxes totaling 13.18 million yuan to the state, an increase of 10.5 percent over 1981. According to incomplete statistics, all farms signed contracts with 29,570 individuals and households and with some 15,770 shifts and groups for production. As a result of the implementation of the system of contracted responsibilities, last year total output of dry rubber was some 3,080 tons, an increase of 20.8 percent over 1981; and the cost of each ton of dry rubber was some 3,090 yuan, 2.1 percent less than in 1981. The areas of autumn sugarcane, pineapples and tea in the system last year was some 49,250 mu more than in the preceding year. [HK230129 Nanning Guangxi Regional Service in Mandarin 1130 GMT 11 Mar 83]

SPRING SOWING--By 20 March, Guangxi Region had prepared some 900,000 mu of seedling fields and sown some 70 million jin of early-rice seeds. Baise Prefecture has now sown some 13.3 million jin of seeds, some 70 percent of its quota. [Nanning Guangxi Regional Service in Mandarin 1130 GMT 17 Mar 83 HK]

CSO: 4007/102

DEVELOPMENT OF CATTLE RAISING INDUSTRY SOUGHT

Beijing RENMIN RIBAO in Chinese 6 Feb 83 p 2

[Article by Commentator: "Strive to Develop Cattle Raising Industry"]

[Text] The Guizhou Provincial CPC Committee has decided to take advantage of the province's numerous grassy mountains and grassy slopes for vigorous development of the herbivorous livestock industry, with emphasis on the development of cattle. This plan for accelerating agricultural development holds great reference value for other places having similar conditions.

In recent years, mass enthusiasm for the raising of livestock and poultry has been very high, and numbers of hogs, sheep and goats, cattle, chicken, ducks and rabbits have increased. The appearance of large numbers of specialized households and key households raising livestock and poultry, in particular, has increased the commodity rate remarkably. However, growth of the cattle raising industry (including plow oxen, milk cows, and beef cattle) has been slow in comparison with the raising of other livestock and poultry. As of the end of 1982, the entire country had only slightly more than 74 million head of cattle, an increase of only 3.75 million head over 1978 for a rate of increase totaling only 5.3 percent over a period of 4 years. This rate of increase was lower than the 6.1 percent annual incremental increase between 1949 and 1959. This state of affairs help neither development of agricultural production nor the flourishing of the rural economy. Nor does it help improve people's standards of living in cities and the countryside. It must be changed with all possible speed.

Northeastern China, north China, west China, Sichuan, and Tibet have vast grasslands, and there are 600 million mu of grassy mountains and grassy slopes in south China. There is abundant hay for the raising of cattle, and water and heat conditions are very good as well. In addition, large amounts of farm crop stalks and stems could be used. All this means good conditions for development of a cattle raising industry. Every area suitable for the

raising of cattle should devote the same effort to a livestock industry that they devote to the growing of grain. They should take hold of the raising of cattle in the same way as they have taken hold of the raising of hogs in an effort to accelerate development of the cattle raising industry.

Following universal rural promotion of contract responsibility systems linked to output, there has been increasingly great peasant demand for the purchase of plow oxen, and the quantity of plow oxen needed has greatly increased. A survey in Jiangxi Province showed 518,000 peasant households wanting to buy plow oxen during the winter of 1982 and the spring of 1983. This amounts to about 10 percent of the total number of peasant households. The demand for purchase of plow oxen reached 288,000 head, 1.5 times the number the province is able to supply. It is thus evident that a speed up in the breeding of plow oxen, and particularly development of superior cattle breeds that can serve both as draft animals and to provide milk, or as combination draft and beef animals, has become an extraordinarily urgent matter.

China's livestock industry has for many years advocated the raising of hogs. China has little cultivated land, and lacks abundant grain, so the former livestock structure has to be changed gradually. While keep the hog raising industry stable, more herbivorous livestock such as cattle, sheep, and goats must be raised. In fact, in a certain sense, accelerated development of the cattle raising industry amounts to the growing of more grain. The beef, milk and other products that beef cattle and milk cows provide are "high quality foods" that provide abundant nutrition. Use of milk or beef to replace some of the grain consumed is a major way in which to solve China's food problems. In addition, the raising of cattle can increase the amount of organic fertilizer to promote grain crop yields.

Development of the cattle raising industry is also a major way for rural villages to become prosperous. A peasant household can derive an income of 200 to 300 yuan a year from the raising of one beef animal, and an income of almost 1,000 yuan from the raising of one milk cow. Family livestock raising entails little investment and low costs for high benefits and rapid prosperity. In future, while encouraging countless millions of peasants to raise cattle, raising of cattle by specialized households and key households should be developed. The state can provide the needed financial and material support, and provide guidance on the breeding of superior varieties, prevention and control of contagious diseases, and such scientific and technical matters.

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BRIEFS

PRODUCTION CONTRACTS--Guiyang, 5 Mar (XINHUA)--According to statistics compiled from 82 counties in Guizhou Province, 192,273 production teams in these counties have fulfilled their production contracts, accounting for 95.8 percent of the production teams which have signed production contracts. In return, the state has supplied the province's countryside with 1,940 dun of chemical fertilizer prior to the busy spring farming season. [OW230907 Beijing XINHUA Domestic Service in Chinese 0055 GMT 5 Mar 83]

GUIZHOU NATIONAL FORESTRY SYMPOSIUM--Today, the national symposium on forestry zoning in the southern part of China was held in Huaxi district, Guiyang city, Guizhou Province. This symposium was sponsored by the Ministry of Forestry. The symposium mainly exchanged experiences in forestry zoning. Attending were representatives from 12 provinces and autonomous regions in the southern part of China, Henan, Shaanxi, Shanxi, State Planning Commission, Beijing Forestry College, zoning group of the Academy of Agricultural Sciences of China and Research Institute of Agricultural Economics of the Academy of Social Sciences and responsible comrades of the Guizhou Provincial People's Congress Standing Committee, provincial agricultural committee, provincial planning committee, provincial water and soil conservation committee, Guiyang Normal College, provincial scientific institute, relevant departments of the provincial forestry system, colleges, schools and various prefectures, autonomous prefectures and cities, totaling some 200 people. Dong Zhiyong, vice minister of forestry, spoke at the beginning of the symposium. [Deputy Secretary] Li Tinggui also spoke. [Guiyang Guizhou Provincial Service in Mandarin 1100 GMT 24 Mar 83 HK]

CSO: 4007/102

SCIENTISTS DEVELOP NEW COTTON STRAIN

OW270904 Beijing XINHUA in English 0810 GMT 27 Mar 83

[Text] Shijiazhuang, March 27 (XINHUA)--The cooperation of scientists at a university and two colleges in Hebei Province, north China, has made it possible for them to develop a new cotton variety resistant to two kinds of wilt diseases in four years, according to a report in today's "People's Daily."

By testing the seeds of the new variety in their own experimental areas simultaneously and also propagating them on tropical Hainan Island, the scientists obtained eight generations of cotton in four years as against the eight years usually required.

The new cotton variety has a long fiber and a high level of fineness and strength.

Fusarium wilt and verticillium wilt used to cause heavy damages to cotton crops in China. In Hebei Province, a major cotton growing area, some 170,000 hectares of cotton fields were attacked by the diseases in 1982, bringing a loss of 7,250 tons of cotton. Cotton varieties that are resistant to either fusarium wilt or verticillium wilt had been evolved in China. But the scientists were challenged with a new problem as many of the cotton fields were subject to both kinds of wilt.

Scientists of Hebei Agricultural University, the Agricultural Research Institutes of Shijiazhuang Prefecture and Handan Prefecture, therefore, formed in 1979 a cooperation group for breeding disease-resistant strains.

The new cotton variety was named "Cotton No. 321" at an appraisal meeting called by the Hebei Provincial Science and Technology Commission.

In comparative tests in 1981 and 1982, the new variety yielded 10 to 30 percent more than varieties which are resistant only to one kind of wilt disease. In 1982, the yield of the new variety ranked first in 13 of the 20 different points chosen for conducting the comparative test.

A commentator's article in the front page of today's "People's Daily" praises the scientists for their success. The article says the development of the new variety again shows the importance of giving full scope to the talents of the intellectuals.

CSO: 4020/63

HEBEI

BRIEFS

HEBEI WATER SUPPLY--Shijiazhuang, 29 Mar (XINHUA)--Nearly 60 percent of Hebei's rural population can now use tap water and water from machine-operated wells. By the end of 1982, Hebei had built 9,582 water towers and sunk 18,000 machine-operated wells. [OW011343 Beijing XINHUA Domestic Service in Chinese 0035 GMT 29 Mar 83]

CSO: 4007/102

COMMENTARY ON OUTPUT RELATED CONTRACTING SYSTEM

SK200448 Harbin Heilongjiang Provincial Service in Mandarin 1100 GMT
20 Mar 83

[Station commentary: "Vigorously Sign Output Related Contracts so as To Stir up an Upsurge in Farming Preparations and Spring Farming"]

[Excerpts] At present, our province's rural situation is very good. With the implementation of the output related contracting responsibility system, the broad masses of peasants are very happy and they have full confidence in wresting a bumper agricultural harvest this year. The masses of peasants are mobilized in localities where the output related contracting responsibility system has been introduced. A gratifying situation in which all households are busy preparing for farming has emerged. Judging from the situations in various localities, farming preparations are well done in places where output related contracts are rapidly implemented and farming preparations lag behind in places where the contracts are implemented slowly.

At present, many rural areas have not yet signed output related contracts. The reason for this is that, in addition to slow progress in implementing the output related contracting responsibility system, there are too many retained items and the proportion of profits retained is too big. Some have retained over 20 yuan from 1 mu of produce, and some even have retained 30 to 40 yuan. The reason for the big retention is due to the fact that some cadres are afraid of showing their ignorance, fearing that they are unable to pay the miscellaneous expenses and to handle hard work. Some are inexperienced. They have included all production expenses into the profits retained by the collective. By working out accounts, peasants have found that they will not get much real benefit because of the large amount retained. Naturally, they will not welcome this. Peasants are not willing to sign contracts. The retention of profits, big or small, affects the interests of the state, the collective and the individuals and the enthusiasm of the masses. It will also directly affect farming preparations and spring farming. Therefore, it must be properly handled. The amount of profits to be retained must be determined in line with local conditions and the actual situation. Since the foundations and cultivated lands vary from place to place, we must not seek uniformity. We must concretely analyze specific situations and cancel all expenses which should not be included in

the profits retained, including expenses for production and cultural and sports activities and unreasonable allowances apportioned to personnel, so as to alleviate the burdens on the masses. We must note that our province suffered disasters 2 years in a row and commune members have many practical difficulties. They need time to rest and build up strength. Profit retention must be small in impoverished production teams.

The farming season is approaching and spring plowing will begin very soon. All forms of output related contracting responsibility systems being practiced in all localities must be stabilized. Efforts must be made to grasp contract signing work and to concentrate energies on carrying out farming preparations and spring farming in rural areas.

CSO: 4007/102

CALL FOR UNIFIED PLANS FOR DAIRY INDUSTRY

SK240304 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT
23 Mar 83

[Text] HEILONGJIANG RIBAO 24 March frontpaged a report by XINHUA reporter (Wang Baoxin) entitled "Overall Plans Should Be Made in Developing Dairy Products." The report states: Following the implementation of animal husbandry policies, the number of cows has increased rapidly in rural areas. Never before has Heilongjiang Province witnessed such a good situation in the dairy industry. Dairy products increased from 8,600 tons in 1978 to 25,000 tons in 1982, increasing nearly 200 percent in 4 years. Both output and quality ranked first in the country. However, there followed a problem: The tendency of many units and localities to vie with each other in building plants blindly in violation of the overall economic results is becoming more and more serious. Such blind development of the dairy product processing industry without unified plans not only incurs waste of the state's limited funds but also causes squabbles over sources of dairy products, with the result that while everyone wishes to develop greatly, but none can. Most of the dairy product plants which are currently under construction are small, with a daily capacity of about 10 tons. They can neither improve the quality of milk powder nor increase economic returns. In order to make proper use of Heilongjiang's advantage in resources, provincial departments concerned have offered two suggestions which warrant consideration:

Local or central industrial, agricultural and animal husbandry departments which wish to build or expand dairy product plants in Heilongjiang should follow the unified plans of the provincial economic leading departments so that the geological distribution, scale and fund utilization of the plants can be reasonable.

Units and departments energetic in developing the dairy industry can pool their funds to build joint plants or expand and transform the existing plants and institute the product or profit-sharing system to yield more returns from their investments and achieve better economic results.

CSO: 4007/102

HEILONGJIANG LEADERS HELP WITH RURAL PROBLEMS

OW310259 Beijing XINHUA Domestic Service in Chinese 0741 GMT 29 Mar 83

[Report by Zhang Chijian and Zhang Guangyuan]

[Excerpts] Harbin, 29 Mar (XINHUA)--In March, the snow and ice began to melt. Members of the newly formed leading body of the Heilongjiang provincial party committee led more than 1,900 cadres of organizations directly under the provincial party committee to the countryside to carry out investigation and study on the new situations and problems arising since the implementation of the all-round contract system of production responsibility and to help county, commune and production brigade cadres and peasants solve practical problems on the first line.

Li Lian, secretary of the provincial party committee, went to Lanxi, Qinggang, Mingshui, Hailun and Wangkui Counties in Suihua Prefecture, held discussion meetings with county, commune and production brigade cadres and the masses, visited commune members' families and studied measures to further improve the production responsibility system.

Chen Lie, secretary of the provincial party committee and governor, visited four production teams under the Minli production brigade, Xinhua commune, Acheig County.

Chen Junsheng, secretary of the provincial party committee, was in charge of the committee's day-to-day work, but he found time to conduct an investigation in Shuangcheng County. He discovered that, although the spring farming season was close at hand, a lot of meetings were still being held at lower levels. He promptly requested the departments concerned to issue a circular on cutting meetings to a minimum.

Based on the findings of the investigations, the provincial party committee and provincial government have extended assistance to production teams, which have suffered serious natural disasters in the past few years, and poor households to help them prepare for spring plowing and sowing.

CS0: 4007/102

BRIEFS

MARKETABLE GRAIN BASES--Bayan, Hailun, Nehe, Suihua, Aihui and Xunke Counties of our province have been selected as the state's first group of pilot marketable grain base counties. From 1983 to 1985, the state will invest 30 million yuan to help these six counties in expanding grain production. Beginning in 1985, these counties will turn in to the state the increased part of their grain production. From 1985 to 1990, they shall hand over 900 million jin to the state. These counties have formulated construction plans for 1983 to 1985. This year they will use the state's 10 million yuan of investment to tap potential of their farmland improvement projects and build support facilities for them and to establish networks of fine seed breeding centers and stations for popularizing agro-science and agrotechnology. [Text] [SK190206 Harbin Heilongjiang Provincial Service in Mandarin 1100 GMT 18 Mar 83]

GRAIN SOWING--This year, Heilongjiang Province's Suihua Prefecture plans to expand the areas for sowing grain crops by 6.3 percent over 1982. The prefecture plans to increase about 1 million mu of land to sow high-yield crops, such as corn, Chinese sorghum and paddy rice. [Harbin Heilongjiang Provincial Service in Mandarin 1100 GMT 25 Mar 83 SK]

GRAIN ACREAGE EXPANDED--Heilongjiang Province's Songhua Prefecture plans to expand high-yield crop cultivation acreage this year, striving to increase total grain output. Comparing 1983 with 1982, the prefecture increased its corn cultivation acreage by 210,000 mu and increased its paddy rice cultivation acreage from 1.08 million mu to 1.25 million mu. The prefecture plans to grow high-yield crops on 7.26 million mu of land this year. [SK301225 Harbin Heilongjiang Provincial Service in Mandarin 1100 GMT 28 Mar 83]

CSO: 4007/102

HENAN HOLDS MEETING ON DISASTER RELIEF WORK

HK280131 Zhengzhou Henan Provincial Service in Mandarin 1100 GMT 27 Mar 83

[Summary] The provincial government held a conference in Zhengzhou from 22 to 25 March to discuss disaster relief work. The meeting analyzed the current situation in the disaster areas, summed up and exchanged experiences, and made arrangements for work in April before the wheat harvest. Vice Governor Yue Xiaoxia made a speech.

The meeting held: Since parts of the province were hit by severe floods last July and August, very great success has been gained in production and disaster relief. Some 2.81 million laborers in the disaster areas have taken part in industrial and sideline production, and their net income has amounted to 131.4 million yuan. At present the situation in the disaster areas is good.

The meeting stressed: "The arrival of the busy spring farming season will bring new difficulties to production and daily life in the disaster areas. The tasks of relief through production will become still heavier. It is necessary to further strengthen leadership over this work. While promoting wheat tending and spring farming, the disaster areas should do a good job in diversification and in industrial and sideline production, and carry out self-salvation through production in light of local conditions."

The meeting reiterated: "All places must manage and use the disaster relief funds properly. It is necessary to promptly investigate cases of private distribution and misappropriation of these funds, and deal severely with them."

CSO: 4007/102

HENAN

BRIEFS

GRAIN PRODUCTION--In accordance with the state plan, the leadership in Xuchang Prefecture, Henan Province, has made decision to increase the total acreage of autumn-harvested grain crops from 900,000 mu last year to 1,145,000 mu this year and reduce the total acreage of tobacco from 1,356,000 mu in 1982 to 880,000 mu this year. [Beijing XINHUA Domestic Service in Chinese 0048 GMT 26 Mar 83 OW]

CSO: 4007/102

HUBEI

BRIEFS

XIAOGAN COUNTY GRAIN PRODUCTION--Wuhan, 21 Mar (XINHUA)--Xiaogan County, Hubei, produced more than 1.1 billion jin of grain in 1982. In the same year, the country's cotton production increased by more than 30 percent while its output of oil-bearing crops increased by 34 percent, as compared with 1981. [OW281429 Beijing XINHUA Domestic Service in Chinese 0015 GMT 21 Mar 83]

CSO: 4007/102

HYBRID CROSS-BREEDING SUCCESSFULLY APPLIED

OW231447 Beijing XINHUA in English 1410 GMT 23 Mar 83

[Text] Changsha, March 23 (XINHUA)--The cross-breeding of plants and animals is spreading in central China's Hunan Province, with significant results reported, according to local agricultural authorities.

The drive started in the wake of the success of hybrid rice in the province, a project that yielded an additional 5.1 million tons of rice in the past seven years and won the state special class science award.

The hybrid vigor technique is being applied in the cultivation of agricultural crops, vegetables, cattle and carp, the authorities said.

The hybrid cotton, "Daihongdai," has become a dominant variety in the province. It features high yields and fine quality of fiber. Last year, the value of increased output totalled 82 million yuan.

The utilization of hybrid vigor in hogs is reported. The number of sows crossbred has come to 290,000. The conception rate is 4.4 percent higher than the inbred method. An average litter weighs 29.9 kilograms more than the inbred litter. And fattening efficiency was raised 22.1 percent.

Crossbred carp were raised on more than 14,600 hectares of water last year and the total catch increased 2,300 tons, 2.5 times that of local varieties. The increased catch has been recorded for four years in a row.

Vegetable grower Tang Guangyuan, with the assistance of horticulturists, succeeded in the crossbreeding of egg-plants and chilli. Up to last year, this commune planted five hectares of crossbred eggplant and two hectares of chilli. The eggplant output averaged 67.5 tons per hectare--up to 134 tons per hectare in some places, double or even triple the original species. The new variety has proved to be highly resistant to adversities and ripens early. The output of chilli is usually 30 to 50 percent higher than the common varieties.

The crossbreeding of cattle also holds bright prospects. In recent years, the province crossbred more than 50,000 head of cattle. A calf usually weighs 50 to 100 percent more than the local breed and the adults usually weigh 30 to 40 percent more than the local breed. Their draught power is almost double. They can be put into service a year earlier and, as a result, most of the local people are raising such cattle.

CSO: 4020/63

BRIEFS

FARM MACHINERY HOUSEHOLDS--Changsha, 19 Mar (XINHUA)--According to early March statistics of a provincial department concerned, there are now more than 29,000 specialized and key households, mainly engaged in agricultural machinery operations and services, in Hunan Province. The services these households provide include farm work, processing of farm and sideline products, transport and so forth. They account for about 12 percent of the rural households having agricultural machinery in the province. [Beijing XINHUA Domestic Service in Chinese 0109 GMT 19 Mar 83 OW]

AQUATIC PRODUCTS--In 1982, the total output of aquatic products in Hunan Province reached 4.1 million dan, increasing by 530,000 dan over the previous high in 1981. [Beijing XINHUA Domestic Service in Chinese 0019 GMT 26 Mar 83 OW]

CSO: 4007/102

STAGE SET FOR INCREASE IN FISHING INDUSTRY PRODUCTION

Nanjing XINHUA RIBAO in Chinese 26 Jan 83 p 1

[Article: "Liberalization of Policies to Accelerate Development of Fishing Industry Production. Provincial CPC Committee and Provincial Government Frame Specific Regulations."]

[Text] The Provincial CPC Committee and the provincial government recently framed regulations on various problem to speed up development of fishing industry production.

The "Regulations" point out that Jiangsu Province has abundant resources in ocean and freshwater water surfaces and beaches where a great potential exists for developing the fishing industry. The key to a reversal in the backward state of the fishing industry and initiation of a new situation in fishing industry production in the spirit of the 12th Party Congress and the Fifth National People's Congress lies in further emancipation of thinking and liberalization of policies.

The "Regulations" clarify the guiding policy for fishing industry production. Development of the province's fishing industry must rely primarily on policies and science for full arousal of the enthusiasm of all quarters, causing state-owned enterprises, collectively owned enterprises, and individual enterprises to rise together. Mostly specialized households and key households must also be nurtured. There must be adaptation of general methods to local situations for full use of various water resources and, while devoting attention to marine and freshwater catches, emphasis must be directed to development of marine and freshwater breeding in an effort to increase output, improve quality and economic effectiveness, and achieve the goal of doubling output during the 1980's, and quadrupling the fishing industry's gross output value by the end of this century.

The "Regulations" call for conscientious implementation of use rights for water surfaces and beaches. Where use rights have been clarified for freshwater water surfaces, they should be stabilized without change. Where use rights have not been put into

effect, assignments should be made on the basis of ownership for implementation of use rights. Where ownership is contested, the next higher level should adjudicate to reach a decision. Odds and ends of water surfaces may be made into privately used ponds (or ravines) and assigned to individual commune members for development of family fish rearing. Once use rights have been settled, county or municipal governments should issue use rights certificates to remain in effect without change for a long period of time. Ocean shallows that are the property of the state may be assigned for the use of individual commune members through unified planning by counties and municipalities concerned. Alternatively, they may be jointly developed with neighboring municipalities and counties, or neighboring municipalities and counties may be allowed to develop them. Communes and brigades may collectively contract for their use, or individual commune members or commune members in partnership may contract for their use. Some shallows may also be assigned individual commune members to be worked privately. In assigning water surface and beach use rights, specialized fishermen's production requirements must be looked after. Units or individuals that have only use rights may not sell freshwater water surfaces or marine shallows, nor may they unauthorizedly transfer possession, lease them, reclaim them for farmland, or abandon them.

The "Regulations" provide that collectively operated marine and freshwater breeding may be contracted to individual workers or households, the length of contracts to be determined on the basis of different kinds of water surfaces or beaches. Contracts made for a fixed number of years are not to be changed, and generally they should endure for from 3 to 5 years. In the case of completely undeveloped water surfaces and beaches, the contract period may be somewhat longer. Contractors are to be permitted greater advantages in receipt of product benefits, products becoming the property of contractors in accordance with contract agreements, contractors having the right to dispose of them as they see fit. State-owned breeding enterprises may use unified arrangements for the contracting of water surfaces to individual staff and workers. The form of contracts may be large scale contracting of sole responsibility for task completion, or it may be a responsibility system that provides for several fixed rewards and penalties, the contractor being solely responsible for rewards and penalties. Fish catches may be contracted with fishing boat skippers, contracts providing for amounts to be turned over to the state. Alternatively a system may be followed whereby the fishermen get everything above and beyond net profits as a bonus, or everything over a stipulated net profit is divided among them.

Vigorous efforts should be made to foster aquatic products breeding specialized households and key households. Politically,

the national departments concerned, state-owned aquatic products entrepreneurial units, and commune and brigade collectives are to treat equally and without discrimination all specialized households and key households engaged in aquatic products breeding, giving them assistance and guidance in production matters, and particularly looking after their needs for fish fry, techniques, materials, and funds. Except for portions to be handled by the collective in accordance with contract provisions, all they produce is to be the property of producers to dispose of as they desire. Where contractors have difficulties in handling the produce, units concerned are to give active assistance.

The "Regulations" encourage and advocate joint operations. In the development and use of water surfaces and beaches, in tapping potential and improving fish farms, in operating cold storage and processing aquatic products, and in replacement of fishing boats, diverse forms of joint operations may be undertaken among the province, municipalities, counties, and communes, between the state and collectives, between production areas and consumption areas, between industrial plants and mining enterprises and commune and brigades, between the fishing industry and the farming industry, and among commune members using the principle of voluntary participation for mutual benefit. Water surfaces, labor, techniques, funds, and feed may all be a basis for joint operations.

The "Regulations" provide that in order to strengthen technical guidance in the fishing industry, places having requisite conditions should actively organize aquatic products technology service companies, actively promote aquatic products technical contracting, and encourage and support aquatic products scientific and technical personnel as well as encourage the signing of contract agreements with those skilled in the rearing of fish among the population at large, with self-taught experts, with production units, and with individuals.

The "Regulations" provide for a continuation of assigned procurement quotas for state-owned fishing industry production units, commodity fish bases established with the aid of funds provided by the state or the province, and specialized communes and brigades. Individual jurisdictions may not increase the assigned procurement quotas as they pass down from one level to the next. Delivery of live fish directly to market is encouraged, and production units are encouraged to process aquatic products. All aquatic products marketed through supply and marketing organizations will be used to offset assigned procurement quotas. All products remaining after fulfillment of assigned procurement quotas may be sold to supply and marketing departments at negotiated prices, or supply and marketing departments may be commis-

sioned to sell them, or they may be sent directly to markets for sale upon presentation of a certificate of fulfillment of assigned procurement quotas. On the other hand, fish reared by other communes and brigades, by commune member families as well as by industrial plants and mines, enterprises, government organizations, military units, and official organizations are not to be subject to assigned procurement quotas. Avenues for the flow of aquatic products should be widened, and diverse forms of operations practiced. Multiple channels of flow and diverse economic components should co-exist to enliven the marketing of live aquatic products. Individuals are to be permitted to buy fishing boats, fishing tackle, and transportation vehicles for the long distance hauling of aquatic products to offer them for sale. Producing areas may set up sales outlets in marketing areas, and departments and units concerned in marketing areas are to provide active support and lend a hand. Marketing areas may buy from producing areas any aquatic products remaining after fulfillment of assigned procurement quotas, and producing areas may not restrict such purchases. Aquatic products supply and marketing departments are to use purchases in exchange for goods, negotiated purchases and negotiate sales, commission purchases and commission sales as multiple way in which to organize sources of supply of products to enliven the market.

9432

CSO:4007/95

BRIEFS

HUAIYIN PREFECTURE FOOD OUTPUT--Nanjing, 26 Jan (XINHUA)--Huaiyin Prefecture, Jiangsu, produced a total of 9.5 billion jin of foodgrain in 1982, topping that of 1981 by 18.4 percent. [Beijing XINHUA Domestic Service in Chinese 0059 GMT 26 Jan 83 OW]

GRAIN PROCUREMENT--Nanjing, 15 Mar (XINHUA)--By the end of February, Jiangsu Province had procured 13.91 billion jin of grain only some 1 billion jin short of the total 1949 figure. The total grain output of the province in 1982 reached 57.1 billion jin, 3.8 times the 1949 figure. [OW241227 Beijing XINHUA Domestic Service in Chinese 0105 GMT 15 Mar 83]

GINNED COTTON PROCUREMENT--Nanjing, 16 Mar (XINHUA)--By the end of February, Jiangsu Province had procured 11.21 million dan of ginned cotton topping the previous peak of 11.16 million dan in 1981. Yancheng and Nantong Prefectures have each procured more than 3 million dan of cotton. [Beijing XINHUA Domestic Service in Chinese 0040 GMT 16 Mar 83 OW]

JIANGSU STATE FARMS--Nanjing, 23 Mar (XINHUA)--State farms in Jiangsu earned net profits amounting to 42,770,000 yuan in 1982, up 31.2 percent from 1981. They include agricultural, forestry, livestock, seed multiplication, sericultural and aquicultural farms and of eight other trades and professions. [Beijing XINHUA Domestic Service in Chinese 0715 GMT 23 Mar 83 OW]

CSO: 4007/102

CALL FOR SUPPORTING POOR HOUSEHOLDS

SK310928 Changchun Jilin Provincial Service in Mandarin 1030 GMT 30 Mar 83

[Text] In the course of making preparations for spring farming, the Shuangyang County CPC Committee and the people's government have concentrated their efforts on supporting poor households by, for example, being concerned about them politically, helping them in production, supporting them economically and giving them technical guidance. As a result, such households have made better preparations for spring farming than in past years.

After the Spring Festival, the county CPC committee and the people's government formed a group to investigate the county's situation on preparations for spring farming. The result of this investigation shows that, thanks to the introduction of the all-round contracting system, this year's farming preparations are better than those in past years. However, still about 10 percent of contracted households made insufficient preparations for spring farming. The main reasons are: some households lack funds and implements of production, and some are short of hands.

To solve these problems, the county CPC committee and the people's government have implemented the system of cadres assuming responsibility for supporting poor households. One cadre should be assigned to keep in touch with a poor household all year round and draw up production plans together with it. Various communes should, at regular intervals, conduct check-ups on the support for poor households and regard this work as a basis for assessing cadres. Poor households should also be supported in the area of funds and materials. The county agricultural bank has issued 1.5 million yuan of loans to such households for purchasing tractors and farm animals. The county department concerned has allocated 8 million jin of chemical fertilizers to such households. The county civil administration department has provided 100,000 yuan of relief funds for such households to solve problems in production and living conditions. The county scientific and technical commission and the county agricultural bureau have organized a scientific farming report group to make a circuit of various communes to pass on agricultural science and technology to every household.

CSO: 4007/102

MUTUAL ASSISTANCE BETWEEN PEASANTS URGED

SK310945 Changchun Jilin Provincial Service in Mandarin 2200 GMT 30 Mar 83

[Report on JILIN RIBAO 31 March commentator's article: "Equal Attention Should Be Paid To Encouraging the People To Become Rich and Giving a Helping Hand to Poor Households"]

[Text] The article states: At present, about 10 percent of the rural agricultural households across the province still have fairly great difficulties in both production and livelihood because they are short of labor forces, funds and farming technology and because the departments concerned have not taken good care of them. Cadres at all levels must attach great importance to this state of affairs and, meanwhile, should adopt adequate measures to enhance work in all fields.

It is necessary to conduct ideological work among households with difficulties so as to enhance their confidence in overcoming difficulties.

It is also necessary to give a helping hand in funds and materials. In particular, attention should be paid to bringing into full play the role of collectives and social forces in these assistance activities. Efforts should be made to encourage the masses to carry out the activities of mutual assistance and relief. Rich households are encouraged to voluntarily bring along poor households. To this end, cadres, party members and CYL members should set examples in conducting guidance and offering assistance. Communes and brigades should do a good job in conducting organizational work to promote these activities. However, activities of mutual assistance and relief should be carried out in a voluntary manner and should benefit both sides.

CSO: 4007/102

BRIEFS

AGRICULTURAL PRODUCTION--Changchun, 10 Mar (XINHUA)--Jilin Province has set five all-time records in agricultural production in 1982: 1) Total production of grain and soybean reached 20,000,750,000 [as received] jin, 8.5 percent more than 1981. 2) Total agricultural output value reached 6.262 million yuan, topping 1981 by 9 percent. 3) Output value of forestry, animal husbandry, sideline production, fishery and diversified economy totaled 1.922 million yuan, 4.1 percent more than 1981. 4) Marketable grain sold to the state reached 8.1 billion jin, 21 percent more than 1981. 5) Per capita income of commune members approached 300 yuan, topping 1981 by more than 20 yuan. [Beijing XINHUA Domestic Service in Chinese 0815 GMT 10 Mar 83]

CSO: 4007/102

LIAONING

BRIEFS

TOBACCO-GROWING ACREAGE REDUCED--In 1981 and 1982, Liaoning Province over-fulfilled tobacco leaf output by 160,000 dan. Recently, the relevant department decided to reduce tobacco leaf cultivation acreage in 1983 and plans to cultivate 150,000 mu of tobacco leaves, a 12.6 percent decrease as compared with 1982. [Shenyang Liaoning Provincial Service in Mandarin 2200 GMT 25 Mar 83 SK]

CSO: 4007/102

COMMENTARY ON REFORMS IN RURAL AREAS

SK280847 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 27 Mar 83

[Station commentary: "Rural Areas Must Conduct Reforms in an All-Round and Systematic Manner"]

[Text] In the past 2 or 3 years, our region has comprehensively instituted the all-round contracting production responsibility system in rural areas, greatly arousing the production enthusiasm of the peasants and herdsmen. A vigorous and new situation has emerged in agriculture and animal husbandry production. Last year, our region created a record in seven spheres of work--including the production of grain, oil-bearing seeds and beets, the total number of livestock, total afforestation acreage, total industrial and agricultural output value and the average per capita income of peasants and herdsmen. However, we must not stop or slacken our efforts in the face of these achievements. We must note with a clear head that this is just a beginning of the reform.

In the future, the tasks for reform in the rural areas are still very arduous. In rural areas, other work in connection with system reform--for instance, the separation of government administration from commune management--has just been carried out on a trial basis. It has not yet been comprehensively carried out and remains to be gradually completed. Since the liberation of the productive forces in the rural areas, a large number of surplus laborers have emerged. This requires our efforts to open more production avenues to develop the production of commodities and to further reform the economic structure. The output related contracting responsibility system has solved the problems of production and distribution. However, it has also raised problems concerning circulation and consumption. This definitely requires our efforts to promote commercial reform in the rural areas. Furthermore, with agricultural and animal husbandry production developing in depth and in breadth, for the prosperity of the agricultural commodity economy, more and more cultural and scientific and technological knowledge is required. Thus, reform in science, technology and education has become all the more pressing. All of this proves that the tasks of reform we are encountering are still arduous and complicated.

We must continue to maintain tough and indomitable courage and keep forging ahead in the course of reform, steadily deepen reform in the rural areas and

carry it out in a comprehensive, systematic, resolute and orderly manner. At present, some comrades are satisfied with the already achieved success. They think that there is quite enough reform in the agricultural sphere. This idea is very harmful. Intentionally or not, it hampers the progress of reform and affects the sentiments of the masses. To deal with these comrades, the most important task is to free them from the shackles of leftist thinking and the idea of small producers so that they will consciously stand in the van of reform and will serve as promoters of it. Furthermore, some persons disagree with reform. They always wrangle with the masses, showing no concern for the prosperity of the state and the prosperity and happiness of the people. What they are concerned about is their own advantage and disadvantage. This is a vicious magnification of individualism. Reforms are impossible to carry out in localities which are under the power of these persons. The masses have a strong reaction against this. These kinds of people must be strictly criticized and educated. They must be given due punishment. Otherwise, reforms will come to a premature end.

In pace with spring, the wind of reforms is blowing over the vast stretches of the land of Nei Monggol. All fronts and all trades and professions are carrying out reforms. Reforms have not yet been completed in the rural areas and they still need to be carried out in a systematic and comprehensive manner.

CSO: 4007/102

INVESTIGATION ON COMMUNE MEMBERS' LIVELIHOOD NOTED

SK311022 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 30 Mar 83

[Text] The regional statistical bureau recently conducted a sample investigation on the household income and expenditures of 460 commune member families in 15 banners and counties. The latest statistics indicate that the 1982 net income of commune members was double that of 1979 and showed a big increase over 1981. The 1982 per capita net income of these 460 families increased 147 yuan--116 percent--over 1978 and increased 45 yuan--19.7 percent--over 1981. Along with the increase in income, living conditions of commune members have improved remarkably. In 1982, each peasant spent an average of 201.5 yuan on food, clothing, living and heating, an increase of 28.3 yuan--16.3 percent--over 1981. Their spending on flour, rice and foodstuffs also increased noticeably.

This investigation reflects that families with more than 300 yuan in per capita income are seeking to live better materially. They are particular about nutritious foods, beautiful clothing, commodious houses and high-grade goods. Some families even have bought televisions, radios and tape recorders.

This investigation also reflects that more and more peasants have built and plan to build new houses. In 1982, every 10 commune-member households built 2.57 houses, an increase of 5.8 percent over 1981. At present, most families plan to build new houses. In some localities which are prosperous, almost every family with a higher income is ready to build a new house.

CSO: 4007/102

BRIEFS

GRAIN, LIVESTOCK OUTPUT--Thanks to the implementation of the all-round contracting responsibility system, Ju League in Nei Monggol increased grain and livestock output and per capita income in 1982. Owing to this league's effort to improve 30 million mu of desert area, dig 20,000 wells and harness small rivers covering 4,300 square kilometers, there was a good harvest in 1982. The total grain output reached 460 million jin. The output of wheat topped 100 million jin. By the end of June 1982, this league had 6.48 million livestock. The average per capita income increased from 40 to 50 yuan in 1978 to 230 yuan in 1982. [SK260147 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 22 Mar 83]

CSO: 4007/102

WASTELAND DEVELOPMENT CONTRACTED TO PEASANTS

Beijing ZHONGGUO NONGMIN BAO in Chinese 8 Feb 83 p 1

[Article: "Yellow River Diversion Irrigated Area's Wasteland Contracted to Peasants For Development. Ningxia Relies on Masses to Operate Commodity Grain Bases"]

[Text] The Ningxia Hui Autonomous Region CPC Committee has recently studied a summary of the experiences of the region's rural work department on the apportioning of waste river flood lands in Tongyi Commune, Helan County to peasants for reclamation on the basis of manpower. They also studied suggestions and specific proposals for the promotion of these methods in 11 counties and municipalities in the Yellow River diversion irrigated area in Ningxia Province. They concluded that use of the Tongyi Commune method of apportioning waste river flood lands to peasants for reclamation, the land reverting to the reclainer for a long period for farming and being exempt from taxes and state procurement quotas for a period of 3 to 5 years, could set a new course that would both save national investment and hasten the pace of building a commodity grain base in the Ningxia Yellow River diversion irrigated area. Numerous comrades believed, just as central government leading comrades had noted on the proposal from the region's rural work committee, that: This is a fine idea, and an idea that understands reliance on the masses to get things done.

The Ningxia Yellow River diversion irrigated area is located at the first bend, which is the "rich bend of the Yellow River." Here, not only are there the water conservancy conditions provided by diversion of the Yellow River for irrigation, but the climate is mild with much sunshine, making it suited to the growing of farm crops. There are more than 3 million mu of cultivated land in the entire irrigated area, plus an additional more than 2.8 million mu of reclaimable land that has not yet been developed for use. Both leading comrades on the Central Committee and national departments concerned have devoted very serious attention to this area, and have made plans to include it as one of the new grain bases that is to be developed. It has only been

limited national investment that has kept it from formally being made a part of development plans for the time being.

"Can a way be found to build this grain base at an early date without depending on large state investment?" Many times the Ningxia Hui Autonomous Region CPC Committee Rural Work Department sent people to rural villages to investigate and study. Not long ago, they received inspiration from the practical experiences of Tongyi Commune in Helan County.

Tongyi Commune is located on the banks of the Yellow River. It has large amounts of "wasteland dotted here and there," and saline-alkaline land. In 1980, this commune began to apportion to peasants plots of wasteland on the basis of their number, stipulating that those who reclaimed it would have the right to farm it for a long period time, and that it would be exempt from taxes and from state procurement quotas for a 3 to 5 year period. In this way, without investment of a single copper by the state or the collective, more than 4,400 mu of wasteland was reclaimed within 3 years; grain yields increased; commune member income increased; and grain sales to the state also increased.

Based on their experience there, the comrades of the rural work department conducted an analysis of the actual situation throughout the irrigated area as regards numbers of households and the workforce. They concluded that were the irrigated area to institute this same method of apportioning wasteland to commune members for reclamation, with each of the present 117,000 households devoting an average of 1½ workers, by 1990, a total of more than 1 million mu could be reclaimed. This would increase by one-third the existing amount of cultivated land.

In their proposal, they also suggested that plains area lowlying saline-alkaline land and wastelands that dotted the landscape should be divided up on the principle of voluntary participation and proximity to the reclaimers' place of residence, 2 mu being apportioned to each able-bodied worker in a household. Once fields had been built, the production team would sign a contract agreement with the commune member assigning sole responsibility for the fields to the reclaimers, the fields being the commune member's to farm for a long period of time. Wastelands along the foot of mountains requiring the raising of water for irrigation were apportioned on the basis of voluntary participation. In places where communes and brigades were already in being, wasteland was apportioned to existing resident households for reclamation on the basis of the amount of wasteland within the jurisdiction, and new households could move into such areas. Such wastelands could also be apportioned to irrigation area communes and brigades with large populations relative to cultivated land.

Then, communes and brigades apportioned 3 to 5 mu (the amount increasable to 5 to 10 mu for forestry or animal husbandry) per worker willing to develop and build it up. Once farmland had been built, the reclainer signed a contract agreement with the production team in the locale whereby he became solely responsible for it, the agreement to endure for a long time without change.

When apportioning wasteland to commune members for reclamation, the following two problems should be watched:

1. Comprehensive planning and equitable arrangements. Throughout each county, a commune by commune, brigade by brigade land survey should be conducted, reclamation plans and development programs being formulated. Planning must be done from an ecological and economic standpoint to achieve rational use of wasteland resources and to protect natural wildlife resources. It is particularly important that forest land, grassland, fish lake, and reed growing lake resources not be destroyed.

2. Clear policies that win the confidence of the people. Wastelands apportioned to commune members should be registered. Where reclamation succeeds fairly well, benefits should accrue during the current year, with no taxes levied, state procurement quotas assigned or public accumulation withholdings made for a period of 3 years. Where reclamation does not succeed very well despite expenditure of considerable work, no taxes should be levied, state procurement quotas assigned, or public accumulation withholdings made for a period of 5 years. Depending on the degree of success in reclamation, the state should render appropriate support such as the building of fairly large projects to solve water problems for people and livestock, etc.

9432

CSO:4007/100

NINGXIA

BRIEFS

WHEAT PLANTING--By 16 March, communes and state farms in Ningxia's Yellow River irrigation area had planted 1.57 million mu of wheat, fulfilling their spring sowing task. [OW221431 Beijing Domestic Service in Mandarin 1000 GMT 17 Mar 83]

CSO: 4007/102

BRIEFS

LIVESTOCK OUTPUT--The production of commodity livestock in Qinghai Province in 1982 was much more than in 1981. The province provides some 1.75 million head of livestock to the state and fairs, an increase of 21.5 percent over 1981. Commercial departments overfulfilled the quota for purchasing beef cattle by 19 percent and the quota for purchasing mutton sheep by 2 percent. [Xining Qinghai Provincial Service in Mandarin 1100 GMT 16 Mar 83 HK]

OIL-BEARING CROPS--Last year, while the area sown to oil-bearing crops in Qinghai Province was 1.5 percent less than in 1981, the province's total oil-bearing crop output reached some 147 million jin, an increase of 16.1 percent over [year indistinct] and 4.8 percent over 1980. [Xining Qinghai Provincial Service in Mandarin 1100 GMT 24 Mar 83 HK]

CSO: 4007/102

BRIEFS

SPRING FARMING--Spring farming activities centering on wheatfield management are in full swing in Shandong Province. As of early March, some 19 million mu of wheatfields had received applications of additional fertilizer, 8.65 million mu had been roughly plowed, 1.8 million mu had been irrigated and 70 million cubic meters of manure had been collected. At the same time, Taian Prefecture had applied additional fertilizer to over 1.5 million mu of wheatfields. In Dezhou Prefecture, an upsurge of spring farming has already been started. More than 1.2 million people have participated in spring farming, and 13,000 tractors have been put to use. [SK260719 Jinan Shandong Provincial Service in Mandarin 2300 GMT 20 Mar 83]

AGRICULTURAL PRODUCTION--Yanzhou County, Shandong Province, reaped bumper harvests in both grain and cash crops in 1982 by adopting intercropping and interplanting while stabilizing the grain acreage. Last year, the county adopted intercropping and interplanting on 255,000 mu of fields, accounting for 51 percent of the total. As a result, the county marketed 33 million jin of flowers and vegetables, 5 million jin of rapeseeds and some other varieties of cash crops. This made the county's income increase by 20.33 million yuan. At the same time, total grain output increased 1.8 million jin over 1981 and total income from grain sales increased by 39.6 percent. This year, the county plans to adopt intercropping and interplanting on 560,000 mu of fields--82 percent of the total--and the resulting income increase is expected to be 33 million yuan. [Jinan Shandong Provincial Service in Mandarin 2300 GMT 20 Mar 83 SK]

COTTON PRODUCTION--Weifang Prefecture in Shandong Province plans to plant 2.2 million mu of cotton, more than 45 percent of the prefecture's total cash crop area. [Jinan Shandong Provincial Service in Mandarin 2300 GMT 23 Mar 82 SK]

SPRING AFFORESTATION--Shandong spring afforestation is in full swing. According to incomplete statistics compiled as of 15 March, the province had leveled 136,000 mu of land, afforested 114,000 mu, planted 37.35 million trees around villages and houses and along canals and roads and bred 28,000 mu of saplings. [Jinan Shandong Provincial Service in Mandarin 2300 GMT 23 Mar 83 SK]

FISH PRODUCTION--In 1982, the total output of aquatic products in Shandong Province reached 609,400 tons, an 11.3 percent increase over 1981. [Jinan Shandong Provincial Service in Mandarin 2300 GMT 27 Mar 83 SK]

UPBEAT RURAL FINANCIAL SITUATION REPORTED

Taiyuan SHANXI RIBAO in Chinese 24 Jan 83 p 2

[Article: "Gratifying Rural Financial Situation Throughout Province"]

[Text] Accompanying all-around development of agricultural production and further enlivening of the rural economy has been a gratifying change in finances in the province's rural villages. As of the end of 1982, the province's rural savings accounts contained 1,033,330,000 yuan, 296.63 million yuan more than in 1981. Savings averaged 50.41 yuan per rural inhabitant, 14.47 yuan more than last year for an all-time record. Ten of the province's 11 prefectures and municipalities overfulfilled plans for a net increase in savings, and seven of them overfulfilled average per capita net increase figures for the province as a whole. The one with the highest increase was Xinxian Prefecture with a net increase of 41.87 million yuan and per capita savings averaging 61.43 yuan, 19.03 yuan more than in 1981. Wuzhai County, which has long been a poverty stricken county, showed a net increase of 4,146,700 million in 1981 alone. This was 1.57 times the total increase for the previous 32 years. Per capita savings averaged 85.72 yuan, an average per capita net increase of 53 yuan, making Xinxian Prefecture first among the seven prefectures.

Accompanying further improvement of production responsibility systems, contracting teams, contracting households, and individual commune members became loan recipients, replacing the collective accounting units of the past. Loans issued totaled 865 million yuan for the year. This included loans used by contracting teams, contracting households, and commune members, which accorded with the incomplete statistics totaled 274.85 million yuan, 31.7 percent of all agricultural loans made, and more than 154 million yuan more than in 1981. Bank and credit cooperative recoveries of agricultural loans of all kinds amounted to 810.35 million yuan, 63 million yuan more than in 1981. This included recovery of 127.18 million yuan from individual commune members.

9432

CSO: 4007/95

BRIEFS

AGRICULTURAL PRODUCTION--The total agricultural output value of Shanxi Province in 1982 reached 6.36 billion yuan, an increase of 18.4 percent over 1981. The province's total grain output was 16.5 billion jin, an increase of 13.8 percent over 1981. Production of grain in Yanbei, Xinxian and Yuncheng Prefectures in 1982 increased by some 30 percent. Of 111 agricultural production counties, cities and districts throughout the province, production in 13 counties increased by some 50 percent and production in the 3 counties of Pinglu, Youyu and Pianguan increased by some 100 percent. The province's total cotton output in 1982 reached 242 million jin. Production in five cotton-growing areas throughout the province in 1982 was more than in 1981. Production of cotton in Yuncheng Prefecture increased by 95.5 percent, in Linfen Prefecture by some 100 percent, in Luliang Prefecture by 97.4 percent, in Jindongnan Prefecture by 315 percent and in Jinzhong Prefecture by 35.4 percent. Total output of oil-bearing crops last year reached 424 million jin, an increase of 75.4 percent over 1981. Production of oil-bearing crops in 80 counties last year increased, with 20 counties increasing by 100 percent and 16 counties by some 200 percent. Total beet output in 1982 reached 453 million jin, an increase of 38.5 percent over 1981. Total tobacco output in 1982 reached 25.49 million jin, an increase of 293 percent over 1981. [HK301508 Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 21 Mar 83]

CSO: 4007/102

CONFERENCE DISCUSSES RURAL REFORM WORK

HK300227 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 29 Mar 83

[Excerpts] The Sichuan Provincial CPC Committee held a meeting in Chengdu from 23 to 29 March on work in pilot project counties in rural reforms. The meeting studied Comrade Hu Yaobang's speech on reform issues, summed up and exchanged experiences in Sichuan rural reforms, and discussed and decided on the main points of work in the comprehensive rural reform pilot project counties. The meeting decided to speed up the pace of reform to suit the new situation of economic development in the rural areas. Provincial CPC committee Deputy Secretary Yang Xizong presided and delivered a summation speech. Provincial CPC committee Secretary Yang Rudai and advisory committee Chairman Tan Qilong spoke during the meeting. Present were members of the provincial CPC committee's leadership group for system reforms, comrades responsible for such reforms in the prefectures and cities, and responsible comrades from the pilot project counties and provincial departments concerned.

The main points in comprehensive reform as decided by the conference include: To implement all-round division of work between party and government and separation of government administration from enterprise management; to do a good job in structural reform at county-level and below; to promote the system of contracted economic responsibilities in an all-round way, to further stimulate the initiative of all sectors; to further reform the circulation setup, to make the economy prosper; to carry out reforms in taxation, financial and fiscal work, to promote the development of industrial and agricultural production; to reform planning and price control methods and do a good job in industrial and commercial administrative management; to continue to promote the specialization, socialization, and formation into enterprises of certain links in agricultural production and technical services; to get a good grasp of selecting, promoting and employing scientific and technical talent; to reform the cultural, education and public health systems, and promote socialist cultural construction; and to do a good job in party rectification and strengthen socialist ideological construction.

The meeting held: To ensure the smooth progress of pilot project work in comprehensive reforms and achieve the predicted results, it is first necessary to seriously study and appreciate the spirit of the central

instructions on reforms, strengthen our sense of urgency regarding reform and enhance our awareness.

Second, we must implement the central authorities' guiding principle on reform by proceeding from reality and carrying out reforms in an all-round, systematic, resolute and orderly way.

Qionglai, Guanghan, Xindu and Hongya Counties must strive to advance in the forefront in comprehensive reform and carry out the work still faster and better. The whole province can actively popularize those reforms on which the central authorities and provincial CPC committee have laid down specific regulations and in which the pilot project counties have gained mature experiences. Such popularization should be carried out gradually by means of experiments, to ensure the healthy development of the reforms.

Third, the pilot projects must center their reforms on economic development. They must apply reform to stimulate economic development. They must get a tight grip of current industrial and agricultural production without slackening their efforts in the slightest.

Fourth, we must strengthen leadership over reforms.

Comrade Yang Xizong announced at the close of the meeting: The provincial CPC committee demands that the rural areas throughout the province complete this year the introduction of the contracted economic responsibilities system and the reforms of the supply and marketing cooperative and commune systems, and speed up the pace of rural structural reforms. Comrade Yang Xizong said: In order to speed up the progress of reforms, the provincial CPC committee has studied the matter and decided that all enterprises in the county supply and marketing and number two light industry systems and the commune and brigade enterprises, and the state-owned small enterprises in large and medium cities must introduce the contracted economic responsibilities system this year. The pilot project counties must complete this work in the first half of the year and the whole province must complete it by yearend. The reforms of the supply and marketing cooperative system throughout the province must also be completed this year. It is necessary to reform this setup and genuinely make it popular, democratic and flexible. It cannot just be a matter of changing a signboard.

Reform of the commune setup can be carried out in connection with the election of people's deputies in autumn this year. We must truly succeed in dividing work between party and government and separating government administration from commune and enterprise management. After the reforms, the economic organization of the townships can take various forms in light of the actual conditions; we should not enforce uniformity.

Whatever reform we are carrying out, we must get a very good grasp of things and organize pilot projects and gain experience before engaging in all-round popularization. The work is to be done fast and well.

CSO: 4007/102

PEASANTS STUDY SCIENTIFIC FARMING

OW281227 Beijing XINHUA in English 1133 GMT 28 Mar 83

[Text] Chengdu, March 28 (XINHUA)--Schools and classes run by people's communes and villages in Sichuan Province have enrolled 640,000 peasants who want to study techniques of scientific farming in a systematic fashion, according to the provincial government.

In recent years, lectures and short-term training courses have mushroomed in rural China. More and more peasants in Sichuan Province have expressed interest in learning agrotechniques formally, in addition to the scattered knowledge they have acquired from lectures and training courses.

As a result, such schools and classes are emerging everywhere in the province, officials say. There are now 1,237 such schools and classes with courses running from one to three years.

The provincial educational and agricultural bureaus have compiled textbooks on planting crops, vegetables, tea, and on raising livestock, fowl, freshwater fish and silkworms.

More than 7,000 teachers have been assigned by the provincial government to work in those schools and classes. Agrotechnicians are also delivering lectures there.

Most of the students are selected from young peasants with middle-school education. Qualified students receive diplomas upon graduation.

Approximately 60,000 students have graduated from those schools and classes. Output of their crops or their production is often 20 percent higher than others, according to the provincial government.

Peasants in China are also learning agrotechniques through radio and TV lectures, films and publications.

CSO: 4020/63

SICHUAN

BRIEFS

PIG RAISING--In 1982, some 51.9 million pigs were on hand in Sichuan Province, increasing by 3.3 percent as compared with the number of pigs in sties during 1981. The total output of pork in the province last year increased by 5 percent compared with that of the previous year. [OW290421 Beijing XINHUA Domestic Service in Chinese 0045 GMT 26 Mar 83]

CSO: 4007/102

BRIEFS

XINJIANG FINE SITUATION--Total output of grain in Xinjiang Region in 1982 was 8.11 billion jin, of which some 5.38 billion jin was the output of communes, an increase of 6.4 percent over the preceding year. Total output of cotton by the whole region was 2.922 million dan, of which 1.86 million dan was output from communes, an increase of 21.09 percent over the preceding year. The region fulfilled the state quota for oil-bearing crop production in 1982 and annual output exceeded the highest level in the past. The region increased livestock production in 1982 for 5 consecutive years. With the development of production, in 1981, the amount of grain sold by communes to the state increased by 2.4 percent, the amount of cotton sold increased by 19.6 percent and the number of livestock sold increased by 6.83 percent. The region had a large number of households of which each sold more than 10,000 jin of grain to the state. The total income of the basic accounting units of communes throughout the region in 1982 was 13.54 percent more than in 1981, the retention amount of collectives increased by 12.4 percent and the per-capita income increased by 23.9 yuan. The number of overdrawing households in 1982 was 4.72 percent fewer than in 1981. The proportion of all expenses to the total income of communes dropped from 33.47 percent in 1981 to 29.18 percent in 1982. [Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 16 Mar 83 HK]

CSO: 4007/102

GOALS, PROSPECTS, PROBLEMS IN FRESHWATER FISHERIES DISCUSSED

NONGYE JINGJI WENTI [PROBLEMS IN AGRICULTURAL ECONOMICS] in Chinese 23 Jan 83 pp 25-31

[Article by Li Baiguan [2621 4101 0385], Agricultural Economics Department, Zhejiang Agriculture University: "Major Strategic Actions For Development of Freshwater Fishing Industry---Discussion of Capital Construction of Small Water Surfaces for Intensive Use"]

[Text] China's freshwater fishing industry has developed fairly rapidly in recent years. All jurisdictions have accumulated abundant experiences; quite a few highly representative examples have come to the fore, and very encouraging prospects have come into view. In view of the distribution and composition of China's inland waters, as well as the freshwater fishing industry's natural, economic, and technical conditions, the basic way in which to develop the freshwater fishing industry over the short run lies in arousal of all positive factors and full use of all water surfaces. This requires guidance of a program that correlates rearing, breeding, propagation, stocking, and catching, with rearing predominating, and shifting of the work emphasis to fish ponds, small reservoirs, small lakes, and such water surfaces, which can be used intensively for produce high yields of excellent fish. This is both today's main source for breeding, and it will be the direction of attack for some time to come for increasing output of aquatic products. This article provides some theoretical exploration of problems in capital construction for intensive use of small water surfaces.

1. Goals in Capital Construction of Small Water Surfaces

Development of a freshwater industry requires taking a firm grip on the capital construction of all kinds of water surfaces, and development, use, protection, and improvement of freshwater fishing industry resources. One prominent emphasis in this is improvement and dredging of existing fishponds and small reservoirs, and use, where circumstances permit, of existing water surfaces to build man-made fish farms. This is basic to and a

prerequisite for improvement in the degree of intensive use of small water surfaces.

In freshwater breeding, the nature and quality of the body of water directly determines the biological activity of the fish as well as their quantity and quality. The same kinds of fish and the same kind of food will produce much greater yields in fine bodies of water. Consequently, efforts to build bodies of water to improve the fishes' living environments is a most important kind of capital construction in the freshwater fishing industry.

The goal of improvement and building of small water surfaces for intensive use is to improve fishing industry production conditions and to make full use of water surface resources, thereby helping scientific fish rearing to realize consistently high yields in fishing industry production. In a word, this means increasing the production capacity of water surface resources. In undertaking capital construction in the fishing industry, we must proceed with this goal in mind. At current levels of productivity, improvement and construction of small water surfaces for intensive use requires making the main objects of our labors those existing water surfaces that provide conditions and a basis for rearing the finest fish. There is both improvement and use of natural water surfaces, and renovation and building of man-made fishponds.

Improvement of natural water surfaces has as its focus improvement of natural ponds. Natural ponds have no fixed specifications, and they may be either large or small, deep or shallow, of good water quality or bad. Changing natural ponds into consistently high yielding fish ponds requires, depending on conditions, changing shallow ponds into deep ponds, small ponds into large ponds, leaking ponds into ponds that hold water, stagnant water ponds into running water ponds, etc. In this way, not only is the raising of fish benefited, but irrigation of farmland is also helped. Manure can also be accumulated for a killing of several birds with one stone, both fisheries and farming benefiting. In addition to natural ponds, where conditions are right, small lakes or reservoirs may also be suitably improved to increase the extent to which they may be intensively used. There are also some fairly large lakes and fairly broad rivers in which dams may be built on shallow water inlets, provided they do not obstruct water conservancy and shipping, to turn large water surfaces into small water surfaces and change from extensive fish rearing to intensive fish rearing.

Simultaneous with improvements in natural water surfaces, it is necessary to build man-made fishponds as well. This is a major way in which to make full use of water surfaces and to intensify

fishing industry production. Man-made fishponds are bodies of water regulated by drainage and irrigation equipment, in which fish food is supplied by man, and where the fish are scientifically reared and cared for. Man-made fishponds of high standards and specifications have complete production facilities, are strongly able to withstand natural disasters. Machinery and instruments strictly control water quality, water temperature, the increased oxygen content of the water, and provide rational feeding with balanced food. The density of fish is increased; the fishes' living conditions are scientifically controlled; and the breeding cycle is reduced, thereby assuring consistently high fish yields for increased economic effectiveness.

2. Means of Capital Construction of Small Water Surfaces

Spurred by the party's rural economic policies, and along with readjustment of the structure of agricultural production and the internal structure of the fishing industry, during the last several years the enthusiasm of the rural collective economy and of hundreds of millions of the masses for increased production of fish has been stirred, and capital construction of all kinds of water surfaces has been rapidly and effectively developed. Experiences accumulated in the course of practice everywhere, briefly stated, has followed the following three avenues:

(1) Improvement and renovation of existing fishponds and pools.

Improvement and renovation of existing fish ponds and pools to increase yields and increase benefits from small water surfaces through "tapping potential and modification" is a way of increasing yields of freshwater fish that is simple and easy to do. It depends primarily on accumulating labors. Costs are small and benefits large.

In China's farflung rural villages, particularly in the middle and lower reaches of the Yangtze and in old freshwater fish raising areas in south China, fishponds are as numerous as the stars in the sky. Most of these existing inland ponds are "mulberry foundation ponds," and "field ponds" that have been passed down through the years. Looked at in terms of the farmland ecological system, their distribution and structure is rational in one way; yet, the fishpond area, depth, and equipment for rearing fish is largely unable to meet today's needs for scientific fish rearing. In addition, most of these old fishponds have gone without repairs for years. They are silted and shallow; their banks are broken and leak; and some of them lack proper facilities for filling and draining water. This makes it impossible to maintain fine water quality and the fish frequently get sick. They are unable to withstand drought and waterlogging disasters.

and it is difficult to realize consistently high yields from them.

During the past several years, Jiaxing Prefecture in Zhejiang Province has focused on planned renovation of old fishponds for remarkable results. Between the winter of 1979 and the spring of 1981, Huzhou, Deqing, Haining, and Changxing counties and municipalities in this prefecture renovated a total of 24,914 mu of old fishponds largely through labor accumulation. The renovated area accounts for 20.6 percent of the prefecture's total fishpond area. Renovated fishponds increased yields by between 100 and 200 jin in the year of renovation, and yields will continue to increase for the next several years. Renovated fishponds in the prefecture average yields of 580 jin per mu in 1981, 250 jin higher than the average yields per mu of fishponds in the prefecture as a whole, i.e., a 75 percent increase. A survey of 31 production brigades in the Linghu District of Huzhou City showed 1980 average yields of 760.2 jin per mu from 275.5 mu of fishponds that had been renovated in 1979. This was a 260 jin or 52 percent increase over the 500.2 jin yields prior to renovation. In 1981, yields averaged 823 jin per mu, 62.8 higher than in 1980. Longshan Production Brigade in Baique Commune in Huzhou City has 130.28 mu of fishponds that formerly produced only slightly more than 100 jin per mu. Following 2 years of renovation, yields per mu increased fourfold. This included a 26.15 mu production brigade fish farm that had formerly yielded 198 jin per mu. Following renovation, yields increased to 490 jin per mu in 1980, and further increased to 852.7 jin per mu in 1981.

In capital construction for the renovation of old fishponds, it is necessary both to adapt general methods to local situations and to keep to standards insofar as possible. Renovated fishponds should be of a certain area (5 - 10 mu), be more than 2.5 meters deep, have openings, be fitted with electro-mechanical equipment, and be able to take in and discharge water. Fishpond water sources, quantity of water, quality of water, water temperature, sunlight and such ecological conditions should meet requirements for high yields. This should form the basis for promotion of complete techniques for serial rearing of fish, for improving varieties bred and stocked, for using water at all depths, for feeding properly and removing excrement, for improving the breeding system, for shortening the rearing cycle, for insuring consistently high fishpond yields and achieving finest economic effectiveness.

(2) Starting up and building new man-made fishponds.

In starting up and building new man-made fishponds, where conditions permit, mostly existing water surfaces, abandoned stream beds, or the shores of streams are used to build fishponds where

high yields of intensively reared fish can be produced. Most of the man-made fishponds started up or newly built throughout the country in recent years through adaptation of general methods to local situations were of the several following different types according to local characteristics, land selected for use, and engineering methods.

1. In waterlaced areas with numerous streams and shallow lakes, embankments were built to enclose a portion of a lake (or to make ponds) to "change the outside into the inside," and to "change the large into the small," a portion of shallow lake water surfaces where formerly fish had been reared extensively being changed to enclosed ponds for intensive rearing of fish. Qingfu County in Shanghai Municipality is representative of this type. This county has very many shallow lakes, but natural ponds are few. Formerly more than 10 shallow lakes with water surfaces totaling more than 20,000 mu were "reclaimed to make fields," and several hundred mu of natural ponds were "leveled to grow grain." For a long time, aquatic products output has not increased. In order to escape from this state of affairs, they shifted the focus of the freshwater fishing industry to the building of large areas of continuous tract enclosed ponds for intensive rearing of consistently high yields, and worked to increase yields per unit of area. From 1973 to 1981, this county linked the harnessing of water and soil improvement in capital construction of farmlands to the building of 9,538 mu of enclosed ponds for intensive rearing of fish using 13 shallow lakes as well as some lake shores, lowlying land, and abandoned river beds. They used a "checkerboard" pattern to build 6,535 mu of enclosed ponds covering 68.5 percent of the shallow lakes. In the course of building ponds, they steadily improved engineering methods, improved fishpond quality, and reached standards for consistently high yields. They were also able to achieve the beginning of production and receipt of benefits in the same year that the ponds were built.

2. Lake regions around large and medium size lakes with "low lake fields" that had formerly been reclaimed for the growing of grain but produced extremely low yields at very high cost for losses greater than gains, were "withdrawn from production as low lake fields and dug out to produce ponds for the intensive raising of fish" in a planned, step-by-step way. For example, in Nanchang County in Jiangxi Province, grain elbowed aside fishing. Lakes were reclaimed for agriculture, and the enclosed lake water surface fell from 80,000 mu to 30,000 mu. Aquatic products taken from the water fell from 8 million jin during the 1960's to slightly more than 5 million jin during the 1970's. In recent years, Nanchang County party and government leaders diligently summarized advanced representative experiences and adhered to the

principle of no destruction of fields or little destruction of fields; adapted general methods to specific situations, sought real results, and retreated from the farming of fields reclaimed from lakes where losses outweighed gains, returning them to fishing. On large areas of lowlying fields, continuous tract fishponds were built according to national standards. Small water surface fishponds were dug at numerous sites and concentrated on continuous tracts. Binhu county rural villages combined the construction of water conservancy with the building of fishponds. The county used free time in winter and spring and concentrated a total of 120,000 laborers to excavate 9.3 million cubic meters of earth to build 42 commodity fish bases in conjunction with capital construction of farmland. These commodity fish bases had a fishpond area of 9,521 mu, and 95 percent of them met national standards. As a result, this county's freshwater breeding yields climbed tremendously year after year. In 1979, total output of aquatic products was more than 7.51 million jin, 31.8 percent more than in 1978. In 1980, this increased to more than 9.23 million jin, and in 1981, it continued to mount to more than 9.4 million jin.

3. Areas with lowlying terrain dug ponds, and used the dirt to build up fields for comprehensive control of lowlying fields. Doumen County, Guangdong Province was a successful example in this regard. Doumen County is located at the southern tip of the Pearl River delta. More than 200,000 mu of the county's cultivated land (i.e., one-half of the total cultivated land area) lies below the normal water level of the Pearl River. Formerly dikes were made higher, the amount of drainage machines increased, and greater fertilization with chemical fertilizer done. Though these measures were definitely effective, they did not fundamentally change the lowlying nature of the terrain, which was prone to waterlogging to the serious detriment of farm crop growth. In addition, payments for large amounts of machinery, electric power, and chemical fertilizer added to costs with the result that earnings did not increase despite increases in output. Because of the lack of organic fertilizer, increased use of chemical fertilizer made the soil leathery, and its quality declined to form a vicious cycle. As a result, for a long time this county was in a situation of low output and low distribution. Following the Third Plenary Session of the 11th Party Central Committee, Doumen County proceeded from realities to dig out swampy land, sinkholes, and some "low sandy fields" to make fishponds, using the removed earth to raise the height of the height of the fields. After 3 years of arduous struggle, the county had 10,554 mu of newly dug fishponds. It also renovated 2,039 mu of existing fishponds, so the county's fishpond area increased 137 percent. At the same time, the elevation of 140,000 mu of farmland was raised. This reduced the danger of waterlog-

ging, provided a source of organic fertilizer, and saved expenditures on both chemical fertilizer and the draining of water. In addition, hogs were raised around ponds, and their dung fed to the fish. The pond mud was then used to fertilize the fields for the establishment of a new ecological balance and a benevolent cycle that included the growing of grain, sugarcane, livestock, and fish for all-around increase in output. There is much similar lowlying land throughout the country, including lowlying land reclaimed from lakes and the ocean where fields cannot be made or grain grown. Doumen's experiences should be promoted in such places.

4. Drought prone, waterlogged, and saline-alkaline land areas used barren sandy soil areas, saline-alkaline soil areas, and bogs to develop and build new fishponds. For example, on both banks of the old bed of the Yellow River in Henan Province there is a large amount of barren sandy soil, saline-alkaline soil, and bogs. Preliminary survey done in Shanqiu, Kaifeng, and Luoyang prefectures alone showed about 950,000 mu of such soil. There is also a lot of it in Xinxiang and Anyang prefectures. Since these kinds of soil cannot be farmed, they have remained unused for a long time. Were they developed for use in rearing fish, they could provide large quantities of fresh fish to the cities and the countryside on both sides of the Yellow River, while increasing the local peasants' income at the same time. Following a survey done by the former National Aquatic Products Bureau, it was decided to run pilot projects in Lingbao, Zhongmou, Kaifeng, Minquan, and Luoyang counties, where large and small fish farms have now been built at more than 50 sites for the intensive rearing of fish on a 5,000 mu area, 2,000 mu of which has gone into production.

5. The suburbs of large and medium size cities have turned to the building of new fishponds and development of fishing industry production to provide aquatic products in neighboring areas in the same way that they turned to the building of bases to provide vegetables. Wuxi Municipality in Jiangsu Province combined the renovation and improvement of old fishing areas with the building of farmland water conservancy. In rural villages where formerly no fishing industry existed, 8,700 mu of new fishponds were dug. The municipality's fishpond area almost doubled, going from 17,300 mu in 1978 to 36,000 mu in 1982. Today there is an average of 0.026 mu of fishponds for every inhabitant of the municipality. Most of these newly built fishponds are concentrated on continuous tracts. They are distributed in a rational way, are fully equipped, have a high commodity rate, provide benefits in the same year they go into production, and have high economic effectiveness.

6. Government organizations, armed forces units, and industrial plants and mines having requisite conditions have adapted general methods to local situations in the building of fishponds. An example is Yulin Farm in the Lanzhou Military District, which used lowlying saline-alkaline land on the farm to dig 490 mu of fishponds that produced 190,000 jin of fish in 1981, an average of 580 jin per mu. Some industrial plants and mines use waste heat or geothermal heat to carry out high density "industrialized fish rearing" in warm running water for all-time high yields.

(3) Construction of all sorts of commodity fish bases.

Vigorous development of commodity fish production is an important technique for development of the socialist fishing industry economy. The small water surfaces used today by rural production teams and families for the rearing of fish are spread out over a wide area, are intended mostly to meet only personal needs, and have a not very high commodity rate. Therefore, we must build all sorts of commodity fish bases to solve the problem of fish for the urban population.

During the past 4 years, 400,00 mu of commodity fish bases have been built with support from state investments. Output has risen from 2,000 tons to 25,00 tons, and the portion turned over to the state has risen from 1,200 tons to 10,000 tons. In addition to state investment in construction, Jiangsu, Hubei, Guangdong, and Shandong provinces have invested in the building of some local commodity fish bases covering an area of 200,000 mu. For example, since 1977 Jiangsu Province has followed the principle of doing only what capabilities permit and selecting priorities to build commodity fish bases in a planned way throughout the province. Most of the building has been in suburbs and in neighboring counties, and the focus has been on making full use of unused shorelands, abandoned river beds, and lowlying land, plus the renovation of old fishponds. This work has been made a part of overall plans for farmland capital construction. By the spring of 1982, the province had built 137,000 mu of enclosed pond commodity fish bases (including 61,700 mu of state bases, and 75,300 mu of provincial bases), and 110,000 mu of open shallow lake fish rearing bases for a total of 247,000 mu. These bases have become Jiangsu Province's principle source of commodity fish.

In order to make more certain that national needs for aquatic products are supplied, further emphasis must be given the building in a planned way of a group of new commodity fish bases. In addition, simultaneous with the active building of new bases there must be continued intensification of construction at old bases in places such as the Pearl River delta in Guangdong Province, in Hangjia Lake in Zhejiang, and in the Tai Lake region of

Jiangsu Province. Each province, municipality and autonomous region, as well as prefectures and counties, can allocate a certain amount of local financial and material resources on the basis of local resources and market needs to the building of local commodity fish bases to solve the problems of supply of aquatic products to medium size and small cities, and to market towns.

In short, the capital construction of agriculture is the most fundamental task in developing, using, safeguarding, and transforming nature, and in the development of agricultural production. It is also the most effective strategic measure. Development of a freshwater fishing industry entails taking a firm grip on capital construction of all kinds of water surfaces, with the emphasis on renovation and construction of small water surfaces for intensive rearing of fish such as fishponds and small reservoirs in order to increase the degree of intensive use of small water surfaces. In his report titled, "All-around Initiation of a New Situation in the Building of Socialist Modernization," Comrade Hu Yaobang said, "In order to realize the strategic objectives of the next 20 years, the country must concentrate the needed funds, determine relative priorities, and carry out key construction." "In rural villages, it is necessary to make use of the vast amount of labor, and adapt general methods to specific circumstances for the effective capital construction of agriculture." We must make full use of the superiority of the socialist system, stir enthusiasm in every quarter and, on the basis of actual circumstances in different areas, do a good job of this important capital construction in a planned step-by-step and genuinely effective manner.

3. Various Problems in Small Water Surface Capital Construction

In devoting attention to this key area of intensive use of small water surfaces for promotion of the all-around development of the freshwater fishing industry, it is necessary to rely on policies and on science. At the present time, special attention should be given solution to the following several major program and policy problems.

(1) It is necessary to continue readjustment of the economic structure of the fishing industry, to reform fishing industry operating methods, and conscientiously to establish water surface use rights.

Since the productivity of China's fishing industry is very unbalanced and the kinds of water surfaces numerous, the economic structure of the country's socialist fishing industry is multi-layered and diverse. According to statistics from aquatic pro-

ducts departments in Jiangsu Province, of the 4.03 million mu of water surfaces in the province used for the rearing of fish in 1981, 11.35 percent were run by state-owned enterprises, 86.42 percent were run by the collective economy (including 65.24 percent run by production teams), and commune member families raised 2.23 percent of the fish. In order to arouse to the full the enthusiasm of hundreds of millions of peasants for development of fish raising, the country's freshwater fishing industry must permit diverse components and operating methods to co-exist, and develop the rearing of fish by many components and many channels as the only way to make full use of all kinds of water surface resources and help increase the degree of intensive utilization of small water surfaces.

It must be realized that capital construction of small water surfaces is for the purpose of effecting "permanent improvements," and constitutes a long-term investment of both living labor and inanimate labor "in the soil." It is a project of vital and lasting importance for the transformation of "the land" that provides conditions for existence and conditions for reproduction that generation after generation of mankind cannot forsake," to make it increasingly meet people's goals in carrying out production. As a necessary prerequisite, ownership rights and use rights must be clarified and stabilized. Unless this is done, producers will have no enthusiasm for long-term investment in the soil, and it will not be possible to link the development, use, safeguarding, and renovation of water surface resources in intensive operations, and there will be no way to halt the predatory kind of operations that lead to destruction of the ecological balance and the ever increasing deterioration of natural resources. Currently, use rights have yet to be decided for a substantial portion of the nation's water resources. In some cases, rights have changed back and forth to the impairment of producers' enthusiasm. Some have been at issue for a long time, with no one able to use the resources. This is one important reason for the low rate of utilization of water surfaces. Rights to small water surfaces are generally relatively better defined; nevertheless, in the transformation and use of natural ponds and in "changing the outside to the inside," and "changing the large to the small," and changing extensive to intensive rearing of fish on some rivers and lakes, deciding use rights of water surfaces remains a major policy question.

The overall principle to be followed in designating water surface use rights should be ownership of the water surface. Whoever owns it, runs it. So long as it helps production and it is done on the basis of voluntary participation and mutual benefit, various forms of partnership operations may be practiced. Wherever use rights are already clear, no change should be made. Where water

surfaces cut across jurisdictional lines and use rights are in dispute, a higher government authority should organize all parties concerned to discuss and settle the issue. Lakes and streams owned but unused by the state should, insofar as possible, be operated by collective economic units. Small, scattered water surfaces that collectives cannot operate easily may be assigned to commune members for operation. Water surfaces used to regulate the discharge and impounding of water should be handled on the principle of overall planning taking all factors in account, and sensible provisions made for the rearing of fish at the lowest water level line.

As regards methods of operating fishing industry production, practical experience gained everywhere during the past several years shows that, under most circumstances, large and medium size water surfaces lend themselves to "joint" methods, and small water surfaces lend themselves to "contracting." This is because large and medium size water surfaces usually cut across boundary lines and have a bearing on interests of many kinds. If these interests are not reconciled, no one is able to use the water surfaces. Use of diverse forms of joint operations helps make the most of the economic and technical advantages of all participants, and helps in the capital construction of water surfaces. At the same time, it is also a good way of solving conflicts between the fishing industry and farming. However, not all small water surfaces where fish are reared are unsuitable for "joint" operations. During the past several years, a form of partnership has emerged in the rearing of fish in ponds in Gaoyao County, Guangdong Province. In this method, departments or units concerned provide funds and feed, and use commune and brigade labor and water surfaces, jointly operating aquatic products breeding farms or livestock and aquatic products breeding farms. Since August 1980, the county has set up 72 such partnership farms, and has dug 6,000 mu of new fishponds, the water surfaces operated in partnership accounting for half of all fishponds. They have provided the state with more than 13,000 dan of fish and 50,000 head of hogs with a gross output value of 13.3 million yuan and a profit of 400,000 yuan. This is a very good way in which to pool wealth, use wealth, and create wealth. It is also a powerful way in which to carry out capital construction of small water surfaces.

Establishment and perfection of diverse forms of fishing industry production responsibility systems provides a powerful force for giving impetus to small water surface capital construction, and for increase the degree of intensive use of small water surfaces. Today, at more than half the fish rearing water surfaces, various forms of responsibility systems have been established. However, no matter the form of production responsibility system, two

characteristics of freshwater fish rearing production responsibility systems should receive attention. One is the continue nature of production in the rearing of fish. When capital construction of small water surfaces is done and intensive operations carried out, in particular, producers must be assured that they will receive all the benefits of continuous investment of funds, and that they will not be fleeced in disguised ways. Thus, contract periods must be somewhat long. If contractors are changed every year, that will not take into account long-term interests, and that will be unfavorable for intensive operations. Second, intensive rearing of fish in small water surfaces is highly technical and has high technical requirements. It should gradually develop in the direction of specialization. In order to create conditions, a group of specialized teams, specialized workers and specialized households, plus key household should be formed. This is an important requirement for carrying out labor intensive operations on the basis of applied technology for water surfaces. In addition, it is necessary to encourage peasants to develop family fish rearing within the limits that national policies and laws allow as a needed and beneficial supplement to the publicly owned fishing industry economy. This is also an effective supplemental form in the intensive use of small water surfaces.

(2) Overall planning, rational distribution, adaptation of general methods to specific situations, and pursuit of practical results are necessary.

In the intensive use of small water surfaces, particularly in the transformation of natural water surfaces, in the opening and building of new man-made fishponds, and in fishing industry capital construction, one must be extremely sure to maintain the ecological balance, to safeguard natural resources and use them in a rational way, to increase economic effectiveness, and to derive multiple benefits. To this end, it is necessary to proceed from investigation and study to overall planning, and a rational distribution with no ill-advised construction.

Maintenance of fishing industry ecological balance is a decisive requirement for carrying out normal fishing industry production, and it is even more an important foundation for intensive operations on small water surfaces. A small fishpond is also an ecological system requiring an integration of biological factors (fish varieties, algae, plankton, and bacteria), and environmental factors (conditions for production including water volume, water quality, and climate) so that all the materials and energy in this ecological system can be interchanged and transformed unhindered for consistently high yields, increased output and increased earnings. However, the ecological system in fishponds

and small reservoirs does not exist in isolation, but is an integral part of the ecological system of the entire water area (including large and medium size water surfaces). Maintenance of the ecological balance of the water area is of major importance for fishing industry production, but also helps protect the agricultural ecological environment. The reason China's traditional fish rearing techniques enjoy such high esteem internationally is that they correlate farming, animal husbandry, and the fishing industry in a rational use of resources. Cyclical use of wastes becomes a model for a fine ecological system. Such a benevolent cycle ecological system is founded on rational soil use.

As a result of long experience in production, laboring people in ancient times found in their own lives and natural environments the most ingenious method for using the soil under small scale farming conditions. Grain, mulberry, animal husbandry, and fish all had their individual roles to play and complemented each other. This was a soil utilization design for production by individual family units in which the fields, the land, and the ponds interacted within a small area. The growing of paddy rice, the farming of mulberry, and the culturing of fish for three-dimensional use of the surface of the land, the space above the land, and the water helped the natural ecological cycling among farming, forestry, animal husbandry, sideline occupations, and fishing. Following Liberation, with the establishment of socialist public ownership and development of science and technology, the structure of land use and the structure of agricultural production in the Lake Tai area saw new development. In this densely waterlaced area with its fairly large amount of shallow lakes and lowlying land, plus islets along the Yangtze River, there are various structures of land use such as the "mulberry base fishpond" structure, the "grass base fishpond" structure, the "grain, mulberry, animal husbandry, and fish" structure, and the "grain, cotton, fish, and animal husbandry" structure. (See footnote). Other examples include the mulberry, silkworm and fish correlation of the Pearl River delta in Guangdong Province, and the hog, vegetable and fish correlation of Hengyang in Hunan Province, each of which have established rational structures suited to local circumstances and individual characteristics. Their common properties are: correlation of land and water production, correlation of the planting industry and the breeding industry, correlation of indoor and outdoor feeding, and correla-

Note: See Ma Xiangyong [7456 3276 3144], "Preliminary Study of the Rational Structure of Agricultural Production in the Lake Tai Region of Jiangsu," a treatise (mimeographed) presented at the Lake Tai Region Scientific Symposium, 1982

tion of long production cycles and short production cycles in multi-layered, diverse production structures, thereby attaining rational utilization of natural resources, a proper rotation of farming seasons, mutual support in the turnover of capital, balance in the agricultural ecology, and promotion of all-around development of agricultural production for fine economic effectiveness.

Our emphasis on extreme attention to maintenance of ecological balance in the capital construction of small water surfaces does not mean that the natural ecology cannot be changed at all. It does mean, however, that when changing the original state of nature, and when transforming natural water surfaces by building man-made fishponds, it is necessary not to destroy the natural ecological balance and to actively establish a new man-made ecological balance. One has to obey natural laws, and one cannot substitute subjective will for objective laws. The key lies in regarding small water surfaces as an integral part of the overall water system, and in making freshwater breeding an integral part of all agriculture. One has to appreciate the interrelationship of these elements in making use of the land and formulate, on the basis of needs and possibilities, the optimum land utilization plan, and establish the most rational land utilization structure. This requires giving serious attention to zoning of the fishing industry and to the laws of water surface use even while actively carrying out agricultural zoning and planned use of the land.

Increase in economic effectiveness is a core issue in the building of China's socialist economy. An intensive freshwater fishing industry, and capital construction for it has far reaching effects, and entails a lot of work. It requires mobilization of fairly large amounts of manpower, material, and financial resources, and requires even more a striving for economic effectiveness. Otherwise, the enthusiasm of the masses will be damaged, and the fishing industry economy will not be able to sustain development. Therefore, in formulating water surface utilization plans, an economic evaluation must be prepared for water surfaces to be used for breeding, and particularly for water surfaces to be used for intensive fish rearing. These plans must take into account what is to be reared, how it is to be reared, and they must be based on the principles of adaptation of general methods to specific situations, planned production, and maintenance of the environment. Several different plans should be drawn up and then analyzed and compared in economic terms in order to point the correct way in which to make full and rational use of water surface resources and increase the intensivity of fish rearing production.

(3) Very serious attention must be given the role of labor accumulation in carrying out capital construction of water surfaces. It is necessary that self-reliance predominates, state support playing a supplementary role.

Capital construction of water surfaces requires substantial investment, but our funds are limited. In order to solve this contradiction correctly, we must proceed from realities, increase intensivity in the fishing industry, and go through a process of development from the low to the high. The size and speed of fishing industry capital construction must be geared to capabilities. It is necessary as well to make the most of the country's advantage in having an exceptionally abundant rural workforce, depend mostly on the collective economy, rely on the broad masses of peasants, practice self-reliance and arduous struggle, and use one's own strength to get things done, the state providing necessary supplemental support as it can.

In the process of renovating and building water surfaces for the intensive rearing of fish during the past several years, plentiful labor has been put to good use, and the shortage of funds has been surmounted. Numerous valuable experiences have been gained in the application of local skills to achieve good quality, rapid beginning of production, and rich benefits from little investment. This experience has had the following main characteristics: First, was expansion in the use of labor accumulations for capital construction. In the renovation of old fishponds, it was necessary to use labor intensive construction methods. Second, work was correlated to farmland water conservancy construction for overall control. Fishpond construction was made a part of agricultural capital construction plans. Overall planning taking all factors into account was done for overall control. This permitted very great savings in investment for all-around effectiveness. Third was doing work by stages and sections. Every effort was made to have projects built during the year go into production and produce benefits in the same year. For example, Xian linked the digging of fish ponds to river control. It carried out the work in stages and sections for a shortening of the time need to recover investment and to guarantee smooth progress in capital construction. Fourth was active launching of fishing industry economic diversification, multiple use of water surface resources, taking the path of comprehensive development of fisheries, sideline occupations, and industry to expand the accumulation of funds. Wuxi's fishing area instituted a combination of fish rearing, livestock raising, and poultry raising, fish rearing being dominant. Its fishing industry economic structure of comprehensive development of fisheries, sideline occupations, and industry produced fairly good economic results.

To summarize the foregoing, one must use self-reliance and rely on the arduous struggle of the broad masses of peasants for the investments needed for small water surfaces. On this basis, the state should provide needed support insofar as it can. For this purpose, the fishing industry's direction of investment and its investment structure must be readjusted. The future direction of fishing industry investment and the structure of investment must be made commensurate with its economic structure, and commensurate with fishing industry development strategy, the ratio of investment in the freshwater fishing industry, and particularly in the freshwater breeding industry being increased. Funds needed to support building of commodity fish bases must be assembled. In addition, development of the collective fishing industry should be given proper support. The emphasis of investment in fish breeding should be on capital construction of intensive fish rearing small water surfaces such as fishponds, on breeding of fish fry, and on "investment in knowledge," as well as on the weak links of maintenance of fish freshness and processing. Fishing industry investment should have as its point of departure the increase in economic effectiveness; the principle of the end product obtained should be followed, and priorities should be arranged on the basis of the product obtained for the investment. While striving for direct economic benefits, it is also necessary to give attention to indirect economic benefits. While devoting attention to the micro-economic benefits of each production unit, it is necessary to consider society's macro-economic benefits. Investment methods must change from the former investment with no return to investment with return. Investment agreements may also be signed, conditional on the sale of a portion of aquatic products. In short, efforts should be made to do things according to economic laws, to promote rational use of resources, and to improve the economic effectiveness of investment.

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USE OF CONTRACT SYSTEMS ALSO URGED IN WELL-OFF AREAS

Beijing ZHONGGUO NONGMIN BAO in Chinese 30 Jan 83 p 2

[Article by Tie Ying [6993 3841], First Secretary Zhejiang Provincial CPC Committee: "Contract System Linked to Output Also Suited to Fairly Economically Advanced Areas"]

[Text] A few years ago, myself and several comrades from the Provincial CPC organization conducted a small survey in Jiaxing Prefecture.

Jiaxing Prefecture is located on the Hangjia Lake Plain where natural conditions are superior. It is a diversified commodity production base. Between 1970 and 1981, it annually provided 1.74 billion jin, or 31.5 percent, of the province's total grain output. Commodity grain output per capita of the agricultural population was 396 jin in 1981, 215 jin more than the average for the province as a whole. Silkworm cocoon gross output in 1981 was 960,000 dan or three-fourths the province's total output. In 1980 and 1981, 9.58 million lengths of moso bamboo were purchased by the state. This was 64 percent of total purchases from the province, and 20 percent of total purchases nationwide. Quantities of other commodities such as live hogs, freshwater fish, lake sheep skins, and rapeseed also accounted for a substantial portion of the province's total.

Whether or not a fairly economically developed area such as Jiaxing would be able to practice a responsibility system linked to output in which "double contracting" [contracting of fixed output quotas and contracting of full responsibility for full task completion to peasant households] was the primary form, was something that everybody debated and about which we had reservations. Today, the masses' practice has answered this question. We looked at communes and brigades of different kinds. Some of them had been in a backward state for a long time, but after practicing "double contracting," great increases occurred in output of everything, and they had made a new start within a year. In some that had been high output units from the very beginning, output rose still higher following practice of responsibility systems

linked to output. Because of the rather fine weather in 1982, yields increased even in places that had not instituted contract responsibility systems linked to output, but the degree of increase in output was vastly different. Comparison of data from a few score production teams shows that under virtually identical production conditions, those who practiced contracting linked to output produced about 200 jin more per mu than did those who contracted jobs to be done within a certain period of time. Huzhou City's silkworm cocoon output was 12 percent greater than in 1981, while in Tangnan, Tiaonan, and Zhacun communes, which linked output to individual workers, the increase was 50.4, 37.3, and 30.4 percent greater respectively than in 1981. Xia'ang Commune's enclosed pond fish rearing showed an average 16.5 percent yield increase, while in seven production teams that had contracted fishponds to individual households, the increase in yields was from 60 to 70 percent.

Why is it that family style contract responsibility systems linked to output are suited to fairly economically advanced areas? It is, first of all, because, even though production levels in fairly economically advanced areas differ from ordinary areas in quantities produced, there is no qualitative distinction. Both use mostly hand labor. Second, within the collective economy of fairly economically advanced areas exist the same maladies as elsewhere of "great turmoil" in production and a "large common pot" in distributions. Economic effectiveness is not high, and there are even cases in which brigades have high output but remain poor. This seriously hampers the bringing into play of peasant enthusiasm. Consequently, when it comes to the form of responsibility system, fairly economically advanced places have nothing "special" to speak of. Contract responsibility systems closely link producers' rights, responsibilities, and benefits; thus, they fully arouse the enthusiasm of the broad masses of peasants. They "go to work and quit work when it is pitch dark, and they eat their three daily meals in a hurry." In production, they are "meticulous and painstaking," in management they exercise "extreme care," and at harvest time, they are "exceedingly thorough." The longstanding "old big problems" of going to work but not working very hard, and poor quality farm work have solved themselves. Both cadres and the masses unanimously praise contract responsibility systems linked to output for "unearthing potential in high yield production teams, demonstrating their power in low yield production teams, and holding huge attraction for neighbors to the right and left." They have attracted the broad masses of peasants like a magnet with the prospect of becoming wealthy through work.

Since August 1982, the contract system linked to output has developed very rapidly in Jiaxing Prefecture. Production teams

linking field work to individual workers and individual households have risen from 23 to more than 80 percent. As we understand the situation, places newly practicing contract systems linked to output all adapted general methods to local situations, acted in accordance with the desires of the masses, were given leadership, and developed quite healthily. The principal forms used were "linking of centralization and decentralization, linking output to individual workers, and contracting sole responsibility for distributions." They had the following several general characteristics. One was adherence primarily to contracting land only to peasants workforces accustomed to farming. People who worked in enterprises or engaged primarily in sideline occupations were assigned only fields for the growing of their own grain rations; they were not contracted fields to work. Secondly, all-around contracting was done for grain, mulberry, and fisheries. The former lopsided emphasis on specialized division of labor whereby grain, mulberry, and fisheries were separately contracted proved unworkable in practice. This is because of the interdependence and complementary roles of grain, mulberry, fisheries, and animal husbandry. Animal dung and silkworm excrement can be used to fertilize the fields and feed fish. Fishpond mud can be used to grow mulberry and fertilize the fields. Growing of grain and mulberry provides more feed for fish and livestock. This is a rational economic structure that has long existed in water-laced plains areas. All-around contracting helps maintain the ecological balance, and helps solve the contradiction of imbalance in cash earnings from grain, mulberry, and fisheries. It also makes equitable provision for males and females, the strong and the weak in peasant households. Third centralization and decentralization link up fairly nicely. It has accomplished the following: Whatever peasants can do by themselves has been contracted to them to do. Whatever they cannot do alone has been strongly "centralized." Grain production is mostly "five centralizations," and "six centralizations." In mulberry silkworm production mostly mulberry groves have been contracted to individual households; collectives raise the young silkworms; individual households raise the large silkworms; and silkworm stock are contracted jointly for raising to specialized teams or skilled experts. Small fishponds are contracted to individual households, and large fishponds re contracted to households in partnership. Fourth is use primarily of the distribution form of settlement for the contracting of sole responsibility for task completion, but there is no "arbitrary uniformity." In the mountain region communes and brigades of the Anji and Changxing area, only about 30 percent of the total workforce works on the mountain itself, yet more than 70 percent of income comes from this portion. In these places, generally following the contracting of field production to individual households, centralized distribution was maintained within the production contracting system, and

the workpoint system retained. This has helped balance income in each occupation, and has safeguarded and advanced development of timber and bamboo production.

Jiaying Prefecture still has a great deal of work to do in further improving and developing its contract responsibility system linked to output. One situation that deserves attention is cadre fears of "rightism" and mass fears of "change," problems that have not been solved. The source of these two "fears" is failure to eliminate the effects of "leftism." Therefore, arousal of cadres for diligent summarization of practical experiences during the past several years in building production responsibility systems is very necessary. This summarization cannot be a simple discussion of events, but must be elevated to an ideological line. "Leftist" influence must be further purged, and an ideological line established through seeking truth in facts. Only in this way can understanding of one thing lead to understanding of many, comprehension of the lines, programs, and policies that have followed in the wake of the Third Plenary Session of the 11th Party Central Committee be further deepened, and consciousness for carrying them into effect be increased. This is the only way in which it will be possible to dare to explore new paths and initiate new situations in work of all kinds.

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ZHEJIANG

BRIEFS

JINHUA PREFECTURE GRAIN PRODUCTION--Hangzhou, 9 Mar (XINHUA)--With the implementation of the all-around responsibility system, Jinhua Prefecture, Zhejiang Province, produced more than 6 billion jin of grain last year, exceeding the 1981 record by 20 percent. By February this year, 1.46 billion jin of commercial grain had been delivered to the state granaries. About 1/5 of the grain produced last year was commercial grain, compared with 1/7 in 1981. [Beijing XINHUA Domestic Service in Chinese 0107 GMT 9 Mar 83 OW]

CSO: 4007/102

FARM FAMILIES SHOW HIGHER RATE OF INCOME GROWTH

OW300403 Taipei CNA in English 0300 GMT 30 Mar 83

[Text] Chunghsing Village, March 30 (CNA)--The income of farm families has increased at a higher rate than that of nonagricultural ones, according to a preliminary survey of family income in 1982 conducted at the beginning of the year.

The survey, sponsored by the provincial government's Department of Budgets, Accounting and Statistics, also reveals that the income gap between the two is narrowing down.

According to the statistics made public by the department, the average income of an agricultural family was estimated at NT \$235,000 (U.S. \$5,875.00), an increase of NT \$12,500 over 1981, or an increase rate of 5.6 percent. As for nonagricultural families, the average income was estimated at NT \$310,000 (U.S. \$7,750) in 1982, a rise of NT \$5,824 or 1.9 percent over the total for 1981.

The income difference between farm families and nonagricultural families is declining. According to analysis, the income of the average agricultural family in 1982 was 75.8 percent of what a nonagricultural one earned, whereas in 1981, the percentage was 73.1 percent.

The department also indicates, the per capita income of the agricultural family was estimated at NT \$45,543 or an increase of 7.6 percent from the previous year, which was NT \$'2,311. As for the nonagricultural family, the per capita income in 1982 was NT \$64,854 which marked an increase of 2.2 percent from the NT \$63,436 of 1981. As the figure indicates, the income of rural families is rising faster than that of others.

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